

## NINETY-NINTH DAY

St. Paul, Minnesota, Tuesday, April 3, 2012

The Senate met at 11:00 a.m. and was called to order by the President.

**CALL OF THE SENATE**

Senator Senjem imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Bill Helker.

The members of the Senate gave the pledge of allegiance to the flag of the United States of America.

The roll was called, and the following Senators answered to their names:

Bakk	Fischbach	Jungbauer	Miller	Senjem
Benson	Gazelka	Kelash	Nelson	Sheran
Bonoff	Gerlach	Koch	Newman	Sieben
Brown	Gimse	Kruse	Nienow	Skoe
Carlson	Goodwin	Latz	Olson	Sparks
Chamberlain	Hall	Lillie	Ortman	Stumpf
Cohen	Hann	Limmer	Pappas	Thompson
Dahms	Harrington	Lourey	Parry	Tomassoni
Daley	Hayden	Magnus	Pederson	Torres Ray
DeKruif	Higgins	Marty	Rest	Vandever
Dibble	Hoffman	McGuire	Robling	Wiger
Dziedzic	Howe	Metzen	Rosen	Wolf
Eaton	Ingebrigtsen	Michel	Saxhaug	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received.

March 16, 2012

The Honorable Michelle L. Fischbach  
President of the Senate

Dear Senator Fischbach:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

BOARD OF ANIMAL HEALTH

Holly Neaton, 11549 Hwy. 25 S.W., Watertown, in the county of Wright, effective March 21, 2012, for a term expiring on January 4, 2016.

(Referred to the Committee on Agriculture and Rural Economies.)

Sincerely,  
Mark Dayton, Governor

March 30, 2012

The Honorable Michelle L. Fischbach  
President of the Senate

Dear Madam President:

Please be advised that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 1542 and 1735.

Sincerely,  
Mark Dayton, Governor

April 2, 2012

The Honorable Michelle L. Fischbach  
President of the Senate

Dear Madam President:

Please be advised that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 1917 and 1567.

Sincerely,  
Mark Dayton, Governor

April 3, 2012

The Honorable Michelle L. Fischbach  
President of the Senate

Dear Senator Fischbach:

Pursuant to Senate Rule 8.2, the following appointments have been withdrawn from the following committee and placed on the Confirmation Calendar:

From the Committee on Education, to which were referred the following appointments as reported in the Journal for April 7, 2011:

## BOARD OF THE PERPICH CENTER FOR ARTS EDUCATION

Bari Amadio  
Ardythe Gallant  
Pierce A. McNally  
Nancy Paddleford

Sincerely,  
Cal R. Ludeman,  
Secretary of the Senate

**MESSAGES FROM THE HOUSE**

Madam President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 1993, 2014, 1981, 2069, 2084, 1793 and 1860.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 2, 2012

Madam President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S.F. No. 1934:** A bill for an act relating to insurance; regulating township mutual fire insurance company combination policies; amending Minnesota Statutes 2010, section 67A.191.

Senate File No. 1934 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 2, 2012

**CONCURRENCE AND REPASSAGE**

Senator Dahms moved that the Senate concur in the amendments by the House to S.F. No. 1934 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1934 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 44 and nays 15, as follows:

Those who voted in the affirmative were:

Bakk  
Benson

Bonoff  
Brown

Carlson  
Chamberlain

Dahms  
Daley

DeKruif  
Fischbach

Gazelka	Koch	Miller	Pederson	Skoe
Hall	Lillie	Nelson	Robling	Sparks
Hann	Limmer	Newman	Rosen	Stumpf
Hoffman	Lourey	Nienow	Saxhaug	Thompson
Howe	Magnus	Olson	Senjem	Tomassoni
Ingebrigtsen	Metzen	Ortman	Sheran	Wolf
Jungbauer	Michel	Parry	Sieben	

Those who voted in the negative were:

Cohen	Eaton	Hayden	Latz	Rest
Dibble	Goodwin	Higgins	Marty	Vandever
Dziedzic	Harrington	Kelash	Pappas	Wiger

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Madam President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S.F. No. 2273:** A bill for an act relating to public safety; motor vehicles; motor vehicle dealer regulations; expanding the class of eligible buyers for junked vehicles; amending Minnesota Statutes 2010, sections 168.27, subdivisions 2, 3, 3c; 168A.151, subdivision 6.

Senate File No. 2273 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 2, 2012

### CONCURRENCE AND REPASSAGE

Senator Howe moved that the Senate concur in the amendments by the House to S.F. No. 2273 and that the bill be placed on its repassage as amended.

Pursuant to Rule 41.2, Senator Miller moved that he be excused from voting on all questions pertaining to S.F. No. 2273. The motion prevailed.

The question was taken on the adoption of the Howe motion. The motion prevailed.

S.F. No. 2273 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Eaton	Jungbauer	Nelson	Senjem
Benson	Fischbach	Kelash	Newman	Sheran
Bonoff	Gazelka	Koch	Nienow	Sieben
Brown	Goodwin	Latz	Olson	Skoe
Carlson	Hall	Lillie	Ortman	Sparks
Chamberlain	Hann	Limmer	Pappas	Stumpf
Cohen	Harrington	Lourey	Parry	Thompson
Dahms	Hayden	Magnus	Pederson	Tomassoni
Daley	Higgins	Marty	Rest	Vandever
DeKruif	Hoffman	McGuire	Robling	Wiger
Dibble	Howe	Metzen	Rosen	Wolf
Dziedzic	Ingebrigtsen	Michel	Saxhaug	

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Madam President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1976, 2216, 2949, 1134 and 2335.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted April 2, 2012

### FIRST READING OF HOUSE BILLS

The following bills were read the first time.

**H.F. No. 1976:** A bill for an act relating to state government; requiring state appointing authorities to use the federal E-Verify program; proposing coding for new law in Minnesota Statutes, chapter 43A.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1842, now on General Orders.

**H.F. No. 2216:** A bill for an act relating to insurance; the Minnesota Comprehensive Health Association; permitting flexibility in premium rate-setting process; amending Minnesota Statutes 2010, sections 62E.08, subdivisions 1, 3; 62E.091.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1910, now on the Calendar.

**H.F. No. 2949:** A bill for an act relating to education; modifying certain early childhood and kindergarten through grade 12 policy and finance provisions; requiring reports; appropriating money; amending Minnesota Statutes 2010, sections 120B.13, subdivision 4; 124D.09, subdivisions 9, 10, 12, 24; 135A.101, subdivision 1; 471.975; Minnesota Statutes 2011 Supplement, sections 120B.07; 120B.08; 120B.09; 120B.36, subdivision 1; 124D.09, subdivision 5; 126C.126; 126C.40, subdivision 1; Laws 2011, First Special Session chapter 11, article 5, section 11; article 7, section 2, subdivision 8; repealing Minnesota Statutes 2010, section 124D.09, subdivision 23.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2482.

**H.F. No. 1134:** A bill for an act relating to insurance; regulating annuity products; enacting and modifying a model regulation adopted by the National Association of Insurance Commissioners relating to suitability in annuity transactions; amending Minnesota Statutes 2010, sections 60K.46, subdivision 4; 72A.20, subdivision 34; proposing coding for new law in Minnesota Statutes, chapter 72A.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 877, now on General Orders.

**H.F. No. 2335:** A bill for an act relating to debt collectors; amending procedures for licensure of debt collection agencies and registration of individual debt collectors; amending Minnesota Statutes 2010, sections 332.33, subdivisions 7, 8; 332.35.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1888, now on General Orders.

### REPORTS OF COMMITTEES

Senator Senjem moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

#### **Senator Robling from the Committee on Finance, to which was re-referred**

**S.F. No. 2201:** A bill for an act relating to education; providing for the creation of individualized learning schools; modifying certain site-governed school, postsecondary enrollment options, and charter school provisions; amending Minnesota Statutes 2010, sections 120B.024; 123B.045, subdivision 3; 124D.09, subdivisions 9, 12, 13, 24, 25; 135A.101, subdivision 1; Minnesota Statutes 2011 Supplement, sections 124D.09, subdivision 5; 124D.10, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 124D; repealing Minnesota Statutes 2010, section 124D.09, subdivision 23.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 123B.04, is amended to read:

#### **123B.04 SITE DECISION-MAKING; INDIVIDUALIZED LEARNING AGREEMENT; OTHER AGREEMENTS.**

Subdivision 1. **Definition.** "Education site" means a separate facility. A program within a facility or within a district is an education site if the school board recognizes it as a site.

Subd. 1a. **Individualized learning and instruction; improved student achievement.** To promote individualized learning and instruction and improve student achievement under subdivisions 4 and 4a, a participating school board under this section must consider how to:

(1) assist a school site to adapt instruction to the needs and aptitudes of individual students, and establish goals and standards for individual students in addition to the state academic standards

applicable to all students;

(2) coordinate the pace of instruction and learning with the needs and aptitudes of individual students at a school site;

(3) provide useful data and assist with research in developing and improving innovative, cost-effective, research-based individualized learning, instruction, and assessment under this section and section 124D.10;

(4) demonstrate and help evaluate instructional alternatives to age-based grade progression;

(5) more effectively motivate students and teachers; and

(6) expand use of learning technology to support individualized learning, instruction, assessment, and achievement.

Subd. 2. **Agreement.** (a) The school board and a school site may enter into an agreement under this section solely to develop and implement an individualized learning and achievement contract under subdivision 4.

(b) Upon the request of 60 percent of the licensed employees of a site or a school site decision-making team, the school board shall enter into discussions to reach an agreement concerning the governance, management, or control of the school. A school site decision-making team may include the school principal, teachers in the school or their designee, other employees in the school, representatives of pupils in the school, or other members in the community. A school site decision-making team must include at least one parent of a pupil in the school. For purposes of formation of a new site, a school site decision-making team may be a team of teachers that is recognized by the board as a site. The school site decision-making team shall include the school principal or other person having general control and supervision of the school. The site decision-making team must reflect the diversity of the education site. At least one-half of the members shall be employees of the district, unless an employee is the parent of a student enrolled in the school site, in which case the employee may elect to serve as a parent member of the site team.

~~(b)~~ (c) School site decision-making agreements must delegate powers, duties, and broad management responsibilities to site teams and involve staff members, students as appropriate, and parents in decision making.

~~(e)~~ (d) An agreement shall include a statement of powers, duties, responsibilities, and authority to be delegated to and within the site.

~~(d)~~ (e) An agreement may include:

(1) an achievement contract according to subdivision 4;

(2) a mechanism to allow principals, a site leadership team, or other persons having general control and supervision of the school, to make decisions regarding how financial and personnel resources are best allocated at the site and from whom goods or services are purchased;

(3) a mechanism to implement parental involvement programs under section 124D.895 and to provide for effective parental communication and feedback on this involvement at the site level;

(4) a provision that would allow the team to determine who is hired into licensed and nonlicensed

positions;

(5) a provision that would allow teachers to choose the principal or other person having general control;

(6) an amount of revenue allocated to the site under subdivision 3; and

(7) any other powers and duties determined appropriate by the board.

The school board of the district remains the legal employer under clauses (4) and (5).

~~(e)~~ (f) Any powers or duties not delegated to the school site management team in the school site management agreement shall remain with the school board.

~~(f)~~ (g) Approved agreements shall be filed with the commissioner. If a school board denies a request or the school site and school board fail to reach an agreement to enter into a school site management agreement, the school board shall provide a copy of the request and the reasons for its denial to the commissioner.

~~(g)~~ (h) A site decision-making grant program is established, consistent with this subdivision, to allow sites to implement an agreement that at least:

(1) notwithstanding subdivision 3, allocates to the site all revenue that is attributable to the students at that site;

(2) includes a provision, consistent with current law and the collective bargaining agreement in effect, that allows the site team to decide who is selected from within the district for licensed and nonlicensed positions at the site and to make staff assignments in the site; and

(3) includes a completed performance agreement under subdivision 4.

The commissioner shall establish the form and manner of the application for a grant and annually, at the end of each fiscal year, report to the house of representatives and senate committees having jurisdiction over education on the progress of the program.

Subd. 3. **Revenue and cost allocation.** Revenue for a fiscal year received or receivable by the district shall be allocated to education sites based on the agreement between the school board and the site decision-making team. Revenue shall remain allocated to each site until used by the site. The site teams and the board may enter an agreement that permits the district to provide services and retain the revenue required to pay for the services provided. The district remains responsible for legally entering into contracts and expending funds. For the purposes of this subdivision, "allocation" means that the determination of the use of the revenue shall be under the control of the site. The district may charge the accounts of each site the actual costs of goods and services from the general or capital funds attributable to the site.

Subd. 4. **Achievement contract.** A school board may enter a written education site achievement contract with each site decision-making team for ~~the purpose of:~~ (1) setting individualized learning performance expectations and achievement measures and short- and long-term educational goals for each student at that site, including the goals for improvement in each area of; (2) recognizing each student's educational needs and aptitudes and levels of academic attainment, whether on grade level or above or below grade level, so as to improve student performance through such means as a cost-effective, research-based formative assessment system designed to promote individualized



learning and assessment; (3) using student performance data to diagnose a student's academic strengths and weaknesses and indicate to the student's teachers the specific skills and concepts that need to be introduced to the student and developed through academic instruction or applied learning, organized by strands within subject areas and linked to state and local academic standards during the next year, a plan to assist consistent with the student's short- and long-term educational goals; and (4) assisting the education site if ~~their~~ progress in achieving student or contract goals are not achieved, and or other performance expectations and or measures determined agreed to by the board and the site decision-making team are not realized or implemented.

Subd. 4a. **Additional site agreements premised on successful achievement contracts.** A school board that enters into a written education achievement contract with a school site under subdivision 4 where the student performance data at the site demonstrate at least three consecutive school years of improved student achievement consistent with the terms of the achievement contract must seek to establish a similar achievement contract with other school sites in the district.

Subd. 5. **Commissioner's role.** The commissioner of education, in consultation with appropriate educational organizations, shall:

- (1) upon request, provide technical support for districts and sites with agreements under this section;
- (2) conduct and compile research on the effectiveness of site decision making; and
- (3) periodically report on and evaluate the effectiveness of site management agreements on a statewide basis.

**EFFECTIVE DATE.** This section is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to education; clarifying terms for an education site achievement contract focused on individualized learning goals for each student; directing districts with successful contracts to enter into similar achievement contracts with other school sites; amending Minnesota Statutes 2010, section 123B.04."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Robling from the Committee on Finance, to which was referred**

**S.F. No. 2482:** A bill for an act relating to education finance; modifying certain education finance provisions; amending Minnesota Statutes 2011 Supplement, sections 120B.07; 120B.08; 120B.09; 120B.12, subdivision 2; 124D.98, subdivisions 2, 3; 126C.126.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

**"ARTICLE 1**

**GENERAL EDUCATION**

Section 1. Minnesota Statutes 2010, section 120A.20, subdivision 2, is amended to read:

Subd. 2. **Education and, residence, and transportation of homeless.** (a) Notwithstanding subdivision 1, a district must not deny free admission to a homeless ~~person of school age~~ pupil solely because the district cannot determine that the ~~person~~ pupil is a resident of the district.

(b) The school district of residence for a homeless ~~person of school age~~ pupil shall be the school district in which the ~~homeless shelter or other program, center, or facility assisting the homeless person is located. The educational services a school district provides to a homeless person must allow the person to work toward meeting the graduation standards under section 120B.02.~~ parent or legal guardian resides, unless: (1) parental rights have been terminated by court order; (2) the parent or guardian is not living within the state; or (3) the parent or guardian having legal custody of the child is an inmate of a Minnesota correctional facility or is a resident of a halfway house under the supervision of the commissioner of corrections. If any of clauses (1) to (3) apply, the school district of residence shall be the school district in which the pupil resided when the qualifying event occurred. If no other district of residence can be established, the school district of residence shall be the school district in which the pupil currently resides. If there is a dispute between school districts regarding residency, the district of residence is the district designated by the commissioner of education.

(c) The serving district is responsible for transporting a homeless pupil to and from the pupil's district of residence. The district may transport from a permanent home in another district but only through the end of the academic school year. When a pupil is enrolled in a charter school, the district or school that provides transportation for other pupils enrolled in the charter school is responsible for providing transportation. When a homeless student with or without an individualized education program attends a public school other than an independent or special school district or charter school, the district of residence is responsible for transportation.

Sec. 2. Minnesota Statutes 2010, section 120A.22, subdivision 11, is amended to read:

Subd. 11. **Assessment of performance.** (a) Each year the performance of every child ages seven through 16 who is not enrolled in a public school must be assessed using a nationally norm-referenced standardized achievement examination. The superintendent of the district in which the child receives instruction and the person in charge of the child's instruction must agree about the specific examination to be used and the administration and location of the examination.

(b) To the extent the examination in paragraph (a) does not provide assessment in all of the subject areas in subdivision 9, the parent must assess the child's performance in the applicable subject area. This requirement applies only to a parent who provides instruction and does not meet the requirements of subdivision 10, clause (1), (2), or (3).

(c) If the results of the assessments in paragraphs (a) and (b) indicate that the child's performance on the total battery score is at or below the 30th percentile or one grade level below the performance level for children of the same age, the parent must obtain additional evaluation of the child's abilities and performance for the purpose of determining whether the child has learning problems.

(d) A child receiving instruction from a nonpublic school, person, or institution that is accredited by an accrediting agency, recognized according to section 123B.445, or recognized by the commissioner, is exempt from the requirements of this subdivision.

Sec. 3. Minnesota Statutes 2011 Supplement, section 120A.24, subdivision 1, is amended to read:

Subdivision 1. **Reports to superintendent.** (a) The person or nonpublic school in charge of providing instruction to a child must submit to the superintendent of the district in which the child resides the name, birth date, and address of the child; the annual tests intended to be used under section 120A.22, subdivision 11, if required; the name of each instructor; and evidence of compliance with one of the requirements specified in section 120A.22, subdivision 10:

(1) by October 1 of the first school year the child receives instruction after reaching the age of seven;

(2) within 15 days of when a parent withdraws a child from public school after age seven to ~~homeschool~~ provide instruction in a nonpublic school that is not accredited by a state-recognized accredited agency;

(3) within 15 days of moving out of a district; and

(4) by October 1 after a new resident district is established.

(b) The person or nonpublic school in charge of providing instruction to a child between the ages of seven and 16 must submit, by October 1 of each school year, a letter of intent to continue to provide instruction under this section for all students under the person's or school's supervision and any changes to the information required in paragraph (a) for each student.

(c) The superintendent may collect the required information under this section through an electronic or Web-based format, but must not require electronic submission of information under this section from the person in charge of reporting under this subdivision.

Sec. 4. Minnesota Statutes 2011 Supplement, section 120B.07, is amended to read:

**120B.07 EARLY GRADUATION.**

~~(a)~~ Notwithstanding any law to the contrary, any secondary school student who has completed all required courses or standards may, with the approval of the student, the student's parent or guardian, and local school officials, graduate before the completion of the school year.

~~(b)~~ General education revenue attributable to the student must be paid as though the student was in attendance for the entire year unless the student participates in the early graduation achievement scholarship program under section 120B.08 or the early graduation military service award program under section 120B.09.

**EFFECTIVE DATE.** This section is effective for fiscal year 2012 and later.

Sec. 5. Minnesota Statutes 2011 Supplement, section 120B.08, is amended to read:

**120B.08 EARLY GRADUATION ACHIEVEMENT SCHOLARSHIP PROGRAM.**

Subdivision 1. **Participation.** A student who qualifies for early graduation under section 120B.07, who meets the criteria in subdivision 1a and who has not participated in the early graduation military service award program under section 120B.09, is eligible to participate in the early graduation achievement scholarship program.

Subd. 1a. **Eligible student.** For purposes of this section, an eligible student is a secondary student enrolled in a Minnesota public school who, at the time of graduation, generated Minnesota general

education revenue and who graduates prior to the end of the fourth school year after first enrolling in ninth grade.

Subd. 2. **Scholarship amounts.** A student who participates in the early graduation achievement scholarship program is eligible for a scholarship of \$2,500 if the student ~~qualifies for graduation~~ graduates one semester or two trimesters early, \$5,000 if the student ~~qualifies for graduation~~ graduates two semesters or three or four trimesters early, or \$7,500 if the student ~~qualifies for graduation~~ graduates three or more semesters or five or more trimesters early. Participation in the optional summer term, extended day sessions, and intersessions of a state-approved learning year program under section 124D.128 are considered a quarter for purposes of computing scholarship amounts.

Subd. 3. **Scholarship uses.** An early graduation achievement scholarship may be used at any ~~accredited~~ institution of higher education accredited by an accrediting agency recognized by the United States Department of Education.

Subd. 4. **Application.** A qualifying student may apply to the commissioner of education for an early graduation achievement scholarship. The application must be in the form and manner specified by the commissioner. Upon verification of the qualifying student's course completion necessary for graduation, the department must issue the student a certificate showing the student's scholarship amount.

Subd. 5. **Enrollment verification.** A student who qualifies under this section and enrolls in an accredited higher education institution must submit a form to the commissioner verifying the student's enrollment in the higher education institution and the tuition charges for that semester. Within ~~15~~ 45 days of receipt of a student's enrollment and tuition verification form, the commissioner must issue a scholarship check to the ~~student~~ higher education institution in the lesser of the tuition amount for that semester or the maximum amount of the student's early graduation achievement scholarship. A student may continue to submit enrollment verification forms to the commissioner until the student has used the full amount of the student's graduation achievement scholarship or six years from the date of the student's graduation, whichever occurs first. The scholarship cannot be renewed.

Subd. 6. **General education money transferred.** The commissioner must transfer the amounts necessary to fund the early graduation achievement scholarships from the general education aid appropriation for that year.

**EFFECTIVE DATE.** This section is effective for fiscal year 2012 and later.

Sec. 6. Minnesota Statutes 2011 Supplement, section 120B.09, is amended to read:

**120B.09 EARLY GRADUATION MILITARY SERVICE AWARD PROGRAM.**

Subdivision 1. **Eligibility.** For purposes of this section, "eligible person" means a secondary student enrolled in any Minnesota public school who, at the time of graduation, generated Minnesota general education revenue, who qualifies for early graduation under section 120B.07, who graduated prior to the end of the fourth school year after first enrolling in ninth grade, who has not participated in the early graduation achievement scholarship program under section 120B.08, and who, before the end of the calendar year of the student's graduation, enters into active service in either the active or reserve component of the United States armed forces and deploys for 60 days or longer to a

military base or installation outside Minnesota for the purpose of attending basic military training or military school and, if required by the military, performing other military duty. The active service may be in accordance with United States Code, title 10 or title 32.

Subd. 2. **Application.** An eligible person may apply to the commissioner of education for an early graduation military service bonus. The application must be in the form and manner specified by the commissioner and must be received at the department within two calendar years of the date of graduation.

Subd. 3. **Verification and award.** The request for payment must be received at the department by the end of the second fiscal year following the date of the student's graduation. Upon verification of the qualifying student's course completion necessary for graduation and eligibility for the military service bonus, the commissioner must issue payment to that person. Payment amounts must be determined according to section 120B.08, subdivision 2. Once the original amount of the award has been paid, it cannot be renewed.

**EFFECTIVE DATE.** This section is effective for fiscal year 2012 and later.

Sec. 7. Minnesota Statutes 2010, section 122A.415, subdivision 3, is amended to read:

Subd. 3. **Revenue timing.** (a) Districts, intermediate school districts, school sites, or charter schools with approved applications must receive alternative compensation revenue for each school year that the district, intermediate school district, school site, or charter school implements an alternative teacher professional pay system under this subdivision and section 122A.414. For fiscal year 2007 and later, a qualifying district, intermediate school district, school site, or charter school that received alternative teacher compensation aid for the previous fiscal year must receive at least an amount of alternative teacher compensation revenue equal to the lesser of the amount it received for the previous fiscal year or the amount it qualifies for under subdivision 1 for the current fiscal year if the district, intermediate school district, school site, or charter school submits a timely application and the commissioner determines that the district, intermediate school district, school site, or charter school continues to implement an alternative teacher professional pay system, consistent with its application under this section.

(b) The commissioner shall approve applications that comply with subdivision 1, and section 122A.414, subdivisions 2, paragraph (b), and 2a, if the applicant is a charter school, in the order in which they are received, select applicants that qualify for this program, notify school districts, intermediate school districts, school sites, and charter schools about the program, develop and disseminate application materials, and carry out other activities needed to implement this section.

(c) ~~For applications approved under this section before August 1 of the fiscal year for which the aid is paid, the portion of the state total basic alternative teacher compensation aid entitlement allocated to charter schools must not exceed \$522,000 for fiscal year 2006 and \$3,374,000 for fiscal year 2007.~~ For fiscal year 2008 and later, the portion of the state total basic alternative teacher compensation aid entitlement allocated to charter schools must not exceed the product of \$3,374,000 times the ratio of the state total charter school enrollment for the previous fiscal year to the state total charter school enrollment for ~~the second previous~~ the second previous fiscal year ~~2007~~. Additional basic alternative teacher compensation aid may be approved for charter schools after August 1, not to exceed the charter school limit for the following fiscal year, if the basic alternative teacher compensation aid entitlement for school districts based on applications approved by August 1 does not expend the remaining amount under the limit.

Sec. 8. Minnesota Statutes 2010, section 123B.92, subdivision 3, is amended to read:

Subd. 3. **Alternative attendance programs.** (a) A district that enrolls nonresident pupils in programs under sections 123A.05 to 123A.08, 124D.03, 124D.08, and 124D.68, must provide authorized transportation to the pupil within the attendance area for the school that the pupil attends at the same level of service that is provided to resident pupils within the attendance area. The resident district need not provide or pay for transportation between the pupil's residence and the district's border.

(b) A district may provide transportation to allow a student who attends a high-need English language learner program and who resides within the transportation attendance area of the program to continue in the program until the student completes the highest grade level offered by the program.

(c) A homeless nonresident pupil enrolled under section 124D.08, subdivision 2a, must be provided transportation from the pupil's district of residence to and from the school of enrollment.

Sec. 9. Minnesota Statutes 2010, section 124D.08, is amended by adding a subdivision to read:

Subd. 2a. **Continued enrollment for homeless students.** Notwithstanding subdivision 2, a pupil who has been enrolled in a district, who is identified as homeless, and whose parent or legal guardian moves to another district, may continue to enroll in the nonresident district without the approval of the board of the nonresident district. The approval of the board of the pupil's resident district is not required.

Sec. 10. Minnesota Statutes 2010, section 124D.09, is amended by adding a subdivision to read:

Subd. 5a. **Authorization; career or technical education.** A 10th, 11th, or 12th grade pupil enrolled in a district or an American Indian-controlled tribal contract or grant school eligible for aid under section 124D.83, except a foreign exchange pupil enrolled in a district under a cultural exchange program, may enroll in a career or technical education course offered by a Minnesota state college or university. A 10th grade pupil applying for enrollment in a career or technical education course under this subdivision must have received a passing score on the 8th grade Minnesota Comprehensive Assessment in reading as a condition of enrollment. A secondary pupil may enroll in their first postsecondary options enrollment course under this subdivision. A student who is refused enrollment by a Minnesota state college or university under this subdivision, may apply to an eligible institution offering a career or technical education course or a college or university registered under chapter 136A by the Office of Higher Education that is eligible to receive state student aid. The postsecondary institution must give priority to its students according to subdivision 9. If a secondary student receives a grade of "C" or better in the career or technical education course taken under this subdivision, the postsecondary institution must allow the student to take additional secondary courses at that institution, not to exceed the limits in subdivision 8. A "career or technical course" is a course that is part of a career and technical education program that provides individuals with coherent, rigorous content aligned with academic standards and relevant technical knowledge and skills needed to prepare for further education and careers in current and emerging professions and provide technical skill proficiency, an industry recognized credential, and a certificate, diploma, or an associate degree.

Sec. 11. Minnesota Statutes 2010, section 124D.09, subdivision 9, is amended to read:

Subd. 9. **Enrollment priority.** A postsecondary institution shall give priority to its

postsecondary students when enrolling 10th, 11th, and 12th grade pupils in its courses. A postsecondary institution may provide information about its programs to a secondary school or to a pupil or parent, ~~but it may not advertise or otherwise recruit or solicit the participation of secondary pupils to enroll in its programs on financial grounds.~~ An institution must not enroll secondary pupils, for postsecondary enrollment options purposes, in remedial, developmental, or other courses that are not college level. Once a pupil has been enrolled in a postsecondary course under this section, the pupil shall not be displaced by another student.

Sec. 12. Minnesota Statutes 2010, section 124D.09, subdivision 12, is amended to read:

Subd. 12. **Credits.** ~~A pupil may enroll in a course under this section for either secondary credit or postsecondary credit. At the time a pupil enrolls in a course, the pupil shall designate whether the course is for secondary or postsecondary credit. A pupil taking several courses may designate some for secondary credit and some for postsecondary credit.~~ A pupil must not audit a course under this section.

A district shall grant academic credit to a pupil enrolled in a course for secondary credit if the pupil successfully completes the course. Seven quarter or four semester college credits equal at least one full year of high school credit. Fewer college credits may be prorated. A district must also grant academic credit to a pupil enrolled in a course for postsecondary credit if secondary credit is requested by a pupil. If no comparable course is offered by the district, the district must, as soon as possible, notify the commissioner, who shall determine the number of credits that shall be granted to a pupil who successfully completes a course. If a comparable course is offered by the district, the school board shall grant a comparable number of credits to the pupil. If there is a dispute between the district and the pupil regarding the number of credits granted for a particular course, the pupil may appeal the board's decision to the commissioner. The commissioner's decision regarding the number of credits shall be final.

The secondary credits granted to a pupil must be counted toward the graduation requirements and subject area requirements of the district. Evidence of successful completion of each course and secondary credits granted must be included in the pupil's secondary school record. A pupil shall provide the school with a copy of the pupil's grade in each course taken for secondary credit under this section. Upon the request of a pupil, the pupil's secondary school record must also include evidence of successful completion and credits granted for a course taken for postsecondary credit. In either case, the record must indicate that the credits were earned at a postsecondary institution.

If a pupil enrolls in a postsecondary institution after leaving secondary school, the postsecondary institution must award postsecondary credit for any course successfully completed for secondary credit at that institution. Other postsecondary institutions may award, after a pupil leaves secondary school, postsecondary credit for any courses successfully completed under this section. An institution may not charge a pupil for the award of credit.

The Board of Trustees of the Minnesota State Colleges and Universities and the Board of Regents of the University of Minnesota must, and private nonprofit and proprietary postsecondary institutions should, award postsecondary credit for any successfully completed courses in a program certified by the National Alliance of Concurrent Enrollment Partnerships offered according to an agreement under subdivision 10.

Sec. 13. Minnesota Statutes 2010, section 124D.09, subdivision 13, is amended to read:

Subd. 13. **Financial arrangements.** For a pupil enrolled in a course under this section, the department must make payments according to this subdivision for courses that were taken for secondary credit.

The department must not make payments to a school district or postsecondary institution for a course taken for postsecondary credit only. The department must not make payments to a postsecondary institution for a course from which a student officially withdraws during the first 14 days of the quarter or semester or who has been absent from the postsecondary institution for the first 15 consecutive school days of the quarter or semester and is not receiving instruction in the home or hospital.

A postsecondary institution, including a college or university under subdivision 5a, shall receive the following:

(1) for an institution granting quarter credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the formula allowance minus \$415, multiplied by 1.3, and divided by 45; or

(2) for an institution granting semester credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the general revenue formula allowance minus \$415, multiplied by 1.3, and divided by 30.

The department must pay to each postsecondary institution 100 percent of the amount in clause (1) or (2) within 30 days of receiving initial enrollment information each quarter or semester. If changes in enrollment occur during a quarter or semester, the change shall be reported by the postsecondary institution at the time the enrollment information for the succeeding quarter or semester is submitted. At any time the department notifies a postsecondary institution that an overpayment has been made, the institution shall promptly remit the amount due.

Sec. 14. Minnesota Statutes 2010, section 124D.09, subdivision 24, is amended to read:

Subd. 24. **Limit; state obligation.** The provisions of subdivisions 13, 19, and 22, ~~and 23~~ shall not apply for any postsecondary courses in which a pupil is enrolled in addition to being enrolled full time in that pupil's district or for any postsecondary course in which a pupil is enrolled for postsecondary credit. The pupil is enrolled full time if the pupil attends credit-bearing classes in the high school or high school program for all of the available hours of instruction.

**EFFECTIVE DATE.** This section is effective for the 2012-2013 school year and later.

Sec. 15. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 8, is amended to read:

Subd. 8. **Federal, state, and local requirements.** (a) A charter school shall meet all federal, state, and local health and safety requirements applicable to school districts.

(b) A school must comply with statewide accountability requirements governing standards and assessments in chapter 120B.

(c) A school authorized by a school board may be located in any district, unless the school board of the district of the proposed location disapproves by written resolution.

(d) A charter school must be nonsectarian in its programs, admission policies, employment



practices, and all other operations. An authorizer may not authorize a charter school or program that is affiliated with a nonpublic sectarian school or a religious institution. A charter school student must be released for religious instruction, consistent with section 120A.22, subdivision 12, clause (3).

(e) Charter schools must not be used as a method of providing education or generating revenue for students who are being home-schooled. This paragraph does not apply to shared time aid, under section 126C.19.

(f) The primary focus of a charter school must be to provide a comprehensive program of instruction for at least one grade or age group from five through 18 years of age. Instruction may be provided to people younger than five years and older than 18 years of age.

(g) A charter school may not charge tuition.

(h) A charter school is subject to and must comply with chapter 363A and section 121A.04.

(i) A charter school is subject to and must comply with the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56, and the Minnesota Public School Fee Law, sections 123B.34 to 123B.39.

(j) A charter school is subject to the same financial audits, audit procedures, and audit requirements as a district. Audits must be conducted in compliance with generally accepted governmental auditing standards, the federal Single Audit Act, if applicable, and section 6.65. A charter school is subject to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06; 471.38; 471.391; 471.392; and 471.425. The audit must comply with the requirements of sections 123B.75 to 123B.83, except to the extent deviations are necessary because of the program at the school. Deviations must be approved by the commissioner and authorizer. The Department of Education, state auditor, legislative auditor, or authorizer may conduct financial, program, or compliance audits. A charter school determined to be in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

(k) A charter school is a district for the purposes of tort liability under chapter 466.

(l) A charter school must comply with chapters 13 and 13D; and sections 120A.22, subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

(m) A charter school is subject to the Pledge of Allegiance requirement under section 121A.11, subdivision 3.

(n) A charter school offering online courses or programs must comply with section 124D.095.

(o) A charter school and charter school board of directors are subject to chapter 181.

(p) A charter school must comply with section 120A.22, subdivision 7, governing the transfer of students' educational records and sections 138.163 and 138.17 governing the management of local records.

(q) A charter school that provides early childhood health and developmental screening must comply with sections 121A.16 to 121A.19.

(r) A charter school that provides school-sponsored youth athletic activities must comply with

section 121A.38.

Sec. 16. Minnesota Statutes 2011 Supplement, section 126C.126, is amended to read:

**126C.126 REALLOCATING GENERAL EDUCATION REVENUE FOR ALL-DAY KINDERGARTEN AND PREKINDERGARTEN.**

~~(a) In order to provide additional revenue for an optional all-day kindergarten program, a district may reallocate general education revenue attributable to 12th grade students who have graduated early under section 120B.07 and who do not participate in the early graduation achievement scholarship program under section 120B.08 or the early graduation military service award program under section 120B.09.~~

~~(b) A school district may spend general education revenue on extended time kindergarten and prekindergarten programs.~~

Sec. 17. Minnesota Statutes 2010, section 126C.19, subdivision 2, is amended to read:

Subd. 2. **Exception.** Notwithstanding subdivision 1, the resident district of a shared time pupil attending shared time classes in another district ~~may~~ or a charter school must grant the district or charter school of attendance, upon its request, permission to claim the pupil as a resident for state aid purposes. In this case, state aid must be paid to the district or charter school of attendance and, upon agreement. If the resident district agrees, the district of attendance may bill the resident district for any unreimbursed education costs, but not for unreimbursed transportation costs. The agreement may, however, provide resident district and the district or charter school of attendance may negotiate an agreement for the resident district to pay the cost of any of the particular transportation categories specified in section 123B.92, subdivision 1, and in this case, aid for those categories must be paid to the district of residence rather than to the district of attendance.

**EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2014 and later.

Sec. 18. Minnesota Statutes 2011 Supplement, section 127A.45, subdivision 6a, is amended to read:

Subd. 6a. **Cash flow adjustment.** The board of directors of any charter school serving fewer than ~~150~~ 200 students where the percent of students eligible for special education services equals at least 90 percent of the charter school's total enrollment may request that the commissioner of education accelerate the school's cash flow under this section. The commissioner must approve a properly submitted request within 30 days of its receipt. The commissioner must accelerate the school's regular special education aid payments according to the schedule in the school's request and modify the payments to the school under subdivision 3 accordingly. A school must not receive current payments of regular special education aid exceeding 90 percent of its estimated aid entitlement for the fiscal year. The commissioner must delay the special education aid payments to all other school districts and charter schools in proportion to each district or charter school's total share of regular special education aid such that the overall aid payment savings from the aid payment shift remains unchanged for any fiscal year.

Sec. 19. Minnesota Statutes 2010, section 127A.47, subdivision 1, is amended to read:

Subdivision 1. **Aid to serving district.** (a) Unless otherwise specifically provided by law, general education aid must be paid according to this subdivision.

(b) Except as provided in paragraph (c), general education aid must be paid to the serving district.

(c) If the resident district pays tuition for a pupil under section 123A.18, 123A.22, 123A.30, 123A.32, 123A.44, 123A.488, 123B.88, subdivision 4, 124D.04, 124D.05, 125A.03 to 125A.24, 125A.51, or 125A.65, general education aid, excluding basic skills revenue under section 126C.10, subdivision 4, must be paid to the resident district. For a student enrolled under section 124D.08, subdivision 2a, that is enrolled in other than an independent or special school district or charter school, the general education revenue shall be paid to the resident district.

Sec. 20. Minnesota Statutes 2010, section 135A.101, subdivision 1, is amended to read:

Subdivision 1. **Requirements for participation.** To participate in the postsecondary enrollment options program, a college or university must abide by the provisions in this section. The institution may provide information about its programs to a secondary school or to a pupil or parent, ~~but may not recruit or solicit participation on financial grounds.~~

Sec. 21. **POSTSECONDARY ENROLLMENT OPTION APPROPRIATION ADJUSTMENT.**

Notwithstanding Minnesota Statutes, section 124D.09, for fiscal year 2013 only, the commissioner must limit the appropriation paid in the postsecondary enrollment option program that is attributable to tenth grade students enrolling in career and technical classes to the amount generated under Minnesota Statutes, section 124D.09, subdivision 13, clause (1) or (2), multiplied times 0.55.

**EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2013 only.

Sec. 22. **APPROPRIATION ADJUSTMENTS.**

Notwithstanding Laws 2011, First Special Session, chapter 11, the commissioner shall adjust appropriations made to the Department of Education in that act for the effects of statutory changes made in this act. Where appropriate, the amounts necessary to fulfill the requirements of this section are appropriated from the general fund.

Sec. 23. **REVISOR'S INSTRUCTION.**

In Minnesota Statutes and Rules, the revisor of statutes shall substitute the terms "English learner," "EL," or similar term for "limited English proficient," "English language learner," "LEP," "ELL," or similar term when referring to early childhood through grade 12 education. The revisor shall also make grammatical changes related to the changes in term.

Sec. 24. **REPEALER.**

(a) Minnesota Statutes 2010, section 124D.09, subdivision 23, is repealed effective for the 2012-2013 school year and later.

(b) Minnesota Statutes 2010, section 127A.47, subdivision 2, is repealed.

## ARTICLE 2

### EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2010, section 120A.22, subdivision 2, is amended to read:

Subd. 2. **Applicability.** This section and sections 120A.24; 120A.26; ~~120A.28~~; 120A.30; 120A.32; and 120A.34 apply only to a child required to receive instruction according to subdivision 5 and to instruction that is intended to fulfill that requirement.

Sec. 2. Minnesota Statutes 2011 Supplement, section 120B.023, subdivision 2, is amended to read:

Subd. 2. **Revisions and reviews required.** (a) The commissioner of education must revise and appropriately embed technology and information literacy standards consistent with recommendations from school media specialists into the state's academic standards and graduation requirements and implement a review cycle for state academic standards and related benchmarks, consistent with this subdivision. During each review cycle, the commissioner also must examine the alignment of each required academic standard and related benchmark with the knowledge and skills students need for college readiness and advanced work in the particular subject area.

(b) The commissioner in the 2006-2007 school year must revise and align the state's academic standards and high school graduation requirements in mathematics to require that students satisfactorily complete the revised mathematics standards, beginning in the 2010-2011 school year. Under the revised standards:

- (1) students must satisfactorily complete an algebra I credit by the end of eighth grade; and
- (2) students scheduled to graduate in the 2014-2015 school year or later must satisfactorily complete an algebra II credit or its equivalent.

The commissioner also must ensure that the statewide mathematics assessments administered to students in grades 3 through 8 and 11 are aligned with the state academic standards in mathematics, consistent with section 120B.30, subdivision 1, paragraph (b). The commissioner must implement a review of the academic standards and related benchmarks in mathematics beginning in the 2015-2016 school year.

(c) The commissioner in the 2007-2008 school year must revise and align the state's academic standards and high school graduation requirements in the arts to require that students satisfactorily complete the revised arts standards beginning in the 2010-2011 school year. The commissioner must implement a review of the academic standards and related benchmarks in arts beginning in the 2016-2017 school year.

(d) The commissioner in the 2008-2009 school year must revise and align the state's academic standards and high school graduation requirements in science to require that students satisfactorily complete the revised science standards, beginning in the 2011-2012 school year. Under the revised standards, students scheduled to graduate in the 2014-2015 school year or later must satisfactorily complete a chemistry, physics, or career and technical education credit that ~~meets the standards underlying either~~ utilizes standards associated with the chemistry or, physics, or biology credit or a combination thereof. The commissioner must implement a review of the academic standards and related benchmarks in science beginning in the 2017-2018 school year.

(e) The commissioner in the 2009-2010 school year must revise and align the state's academic standards and high school graduation requirements in language arts to require that students satisfactorily complete the revised language arts standards beginning in the 2012-2013 school year. The commissioner must implement a review of the academic standards and related benchmarks in

language arts beginning in the 2018-2019 school year.

(f) The commissioner in the 2010-2011 school year must revise and align the state's academic standards and high school graduation requirements in social studies to require that students satisfactorily complete the revised social studies standards beginning in the 2013-2014 school year. The commissioner must implement a review of the academic standards and related benchmarks in social studies beginning in the 2019-2020 school year.

(g) School districts and charter schools must revise and align local academic standards and high school graduation requirements in health, world languages, and career and technical education to require students to complete the revised standards beginning in a school year determined by the school district or charter school. School districts and charter schools must formally establish a periodic review cycle for the academic standards and related benchmarks in health, world languages, and career and technical education.

Sec. 3. Minnesota Statutes 2010, section 120B.024, is amended to read:

**120B.024 GRADUATION REQUIREMENTS; COURSE CREDITS.**

(a) Students beginning 9th grade in the 2004-2005 school year and later must successfully complete the following high school level course credits for graduation:

(1) four credits of language arts;

(2) three credits of mathematics, encompassing at least algebra, geometry, statistics, and probability sufficient to satisfy the academic standard;

(3) three credits of science, including at least one credit in biology;

(4) three and one-half credits of social studies, encompassing at least United States history, geography, government and citizenship, world history, and economics or three credits of social studies encompassing at least United States history, geography, government and citizenship, and world history, and one-half credit of economics taught in a school's social studies, agriculture education, or business department;

(5) one credit in the arts; and

(6) a minimum of seven elective course credits.

A course credit is equivalent to a student successfully completing an academic year of study or a student mastering the applicable subject matter, as determined by the local school district.

(b) An agriculture science course may fulfill a science credit requirement in addition to the specified science credits in biology and chemistry or physics under paragraph (a), clause (3), and paragraph (d).

(c) A career and technical education course may fulfill a science, mathematics, or arts credit requirement in addition to the specified science, mathematics, or arts credits under paragraph (a), clause (2), (3), or (5), and paragraph (d).

(d) Students scheduled to graduate in the 2014-2015 school year and later must successfully complete a chemistry or physics credit.

Sec. 4. Minnesota Statutes 2011 Supplement, section 120B.12, subdivision 2, is amended to read:

Subd. 2. **Identification; report.** For the 2011-2012 school year and later, each school district shall identify before the end of kindergarten, grade 1, and grade 2 students who are not reading at grade level before the end of the current school year. Reading assessments must identify and evaluate students' areas of academic need related to literacy. The district must use a locally adopted assessment and annually report summary assessment results to the commissioner by ~~June~~ July 1.

Sec. 5. Minnesota Statutes 2010, section 120B.13, subdivision 1, is amended to read:

Subdivision 1. **Program structure; training programs for teachers.** ~~(a) The advanced placement and international baccalaureate programs are well-established academic programs for mature, academically directed high school students. These programs, in addition to providing academic rigor, offer sound curricular design, accountability, comprehensive external assessment, feedback to students and teachers, and the opportunity for high school students to compete academically on a global level. Advanced placement and international baccalaureate programs allow students to leave high school with the academic skills and self-confidence to succeed in college and beyond. The advanced placement and international baccalaureate programs help provide Minnesota students with world-class educational opportunity.~~

~~(b)~~ Critical to schools' educational success is ongoing advanced placement/international baccalaureate-approved teacher training. A secondary teacher assigned by a district to teach an advanced placement or international baccalaureate course or other interested educator may participate in a training program offered by The College Board or International Baccalaureate North America, Inc. The state may pay a portion of the tuition, room, board, and out-of-state travel costs a teacher or other interested educator incurs in participating in a training program. The commissioner shall determine application procedures and deadlines, select teachers and other interested educators to participate in the training program, and determine the payment process and amount of the subsidy. The procedures determined by the commissioner shall, to the extent possible, ensure that advanced placement and international baccalaureate courses become available in all parts of the state and that a variety of course offerings are available in school districts. This subdivision does not prevent teacher or other interested educator participation in training programs offered by The College Board or International Baccalaureate North America, Inc., when tuition is paid by a source other than the state.

Sec. 6. Minnesota Statutes 2011 Supplement, section 120B.30, subdivision 1, is amended to read:

Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts with appropriate technical qualifications and experience and stakeholders, consistent with subdivision 1a, shall include in the comprehensive assessment system, for each grade level to be tested, state-constructed tests developed from and aligned with the state's required academic standards under section 120B.021, include multiple choice questions, and be administered annually to all students in grades 3 through 8. State-developed high school tests aligned with the state's required academic standards under section 120B.021 and administered to all high school students in a subject other than writing must include multiple choice questions. The commissioner shall establish one or more months during which schools shall administer the tests to students each school year. For students enrolled in grade 8 before the 2005-2006 school year, Minnesota basic skills tests

in reading, mathematics, and writing shall fulfill students' basic skills testing requirements for a passing state notation. The passing scores of basic skills tests in reading and mathematics are the equivalent of 75 percent correct for students entering grade 9 based on the first uniform test administered in February 1998. Students who have not successfully passed a Minnesota basic skills test by the end of the 2011-2012 school year must pass the graduation-required assessments for diploma under paragraph (c), except that for the 2012-2013 and 2013-2014 school years only, these students may satisfy the state's graduation test requirement for math by complying with paragraph (d), clauses (1) and (3).

(b) The state assessment system must be aligned to the most recent revision of academic standards as described in section 120B.023 in the following manner:

(1) mathematics;

(i) grades 3 through 8 beginning in the 2010-2011 school year; and

(ii) high school level beginning in the 2013-2014 school year;

(2) science; grades 5 and 8 and at the high school level beginning in the 2011-2012 school year; and

(3) language arts and reading; grades 3 through 8 and high school level beginning in the 2012-2013 school year.

(c) For students enrolled in grade 8 in the 2005-2006 school year and later, only the following options shall fulfill students' state graduation test requirements:

(1) for reading and mathematics:

(i) obtaining an achievement level equivalent to or greater than proficient as determined through a standard setting process on the Minnesota comprehensive assessments in grade 10 for reading and grade 11 for mathematics or achieving a passing score as determined through a standard setting process on the graduation-required assessment for diploma in grade 10 for reading and grade 11 for mathematics or subsequent retests;

(ii) achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in reading and the mathematics test for English language learners or the graduation-required assessment for diploma equivalent of those assessments for students designated as English language learners;

(iii) achieving an individual passing score on the graduation-required assessment for diploma as determined by appropriate state guidelines for students with an individualized education program or 504 plan;

(iv) obtaining achievement level equivalent to or greater than proficient as determined through a standard setting process on the state-identified alternate assessment or assessments in grade 10 for reading and grade 11 for mathematics for students with an individualized education program; or

(v) achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an individualized education program; and

(2) for writing:

(i) achieving a passing score on the graduation-required assessment for diploma;

(ii) achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in writing for students designated as English language learners;

(iii) achieving an individual passing score on the graduation-required assessment for diploma as determined by appropriate state guidelines for students with an individualized education program or 504 plan; or

(iv) achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an individualized education program.

(d) Students enrolled in grade 8 in any school year from the 2005-2006 school year to the 2009-2010 school year who do not pass the mathematics graduation-required assessment for diploma under paragraph (c) are eligible to receive a high school diploma if they:

(1) complete with a passing score or grade all state and local coursework and credits required for graduation by the school board granting the students their diploma;

(2) participate in district-prescribed academic remediation in mathematics; and

(3) fully participate in at least two retests of the mathematics GRAD test or until they pass the mathematics GRAD test, whichever comes first. A school, district, or charter school must place on the high school transcript a student's current pass status for each subject that has a required graduation assessment.

In addition, the school board granting the students their diplomas may formally decide to include a notation of high achievement on the high school diplomas of those graduating seniors who, according to established school board criteria, demonstrate exemplary academic achievement during high school.

(e) The 3rd through 8th grade and high school test results shall be available to districts for diagnostic purposes affecting student learning and district instruction and curriculum, and for establishing educational accountability. The commissioner must disseminate to the public the high school test results upon receiving those results.

(f) The 3rd through 8th grade and high school tests must be aligned with state academic standards. The commissioner shall determine the testing process and the order of administration. The statewide results shall be aggregated at the site and district level, consistent with subdivision 1a.

(g) In addition to the testing and reporting requirements under this section, the commissioner shall include the following components in the statewide public reporting system:

(1) uniform statewide testing of all students in grades 3 through 8 and at the high school level that provides appropriate, technically sound accommodations or alternate assessments;

(2) educational indicators that can be aggregated and compared across school districts and across



time on a statewide basis, including average daily attendance, high school graduation rates, and high school drop-out rates by age and grade level;

(3) state results on the American College Test; and

(4) state results from participation in the National Assessment of Educational Progress so that the state can benchmark its performance against the nation and other states, and, where possible, against other countries, and contribute to the national effort to monitor achievement.

Sec. 7. Minnesota Statutes 2011 Supplement, section 122A.40, subdivision 5, is amended to read:

Subd. 5. **Probationary period.** (a) The first three consecutive years of a teacher's first teaching experience in Minnesota in a single district is deemed to be a probationary period of employment, and, the probationary period in each district in which the teacher is thereafter employed shall be one year. The school board must adopt a plan for written evaluation of teachers during the probationary period that is consistent with subdivision 8. Evaluation must occur at least three times periodically throughout each school year for a teacher performing services during that school year; the first evaluation must occur within the first 90 days of teaching service. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school must not be included in determining the number of school days on which a teacher performs services. Except as otherwise provided in paragraph (b), during the probationary period any annual contract with any teacher may or may not be renewed as the school board shall see fit. However, the board must give any such teacher whose contract it declines to renew for the following school year written notice to that effect before ~~June~~ July 1. If the teacher requests reasons for any nonrenewal of a teaching contract, the board must give the teacher its reason in writing, including a statement that appropriate supervision was furnished describing the nature and the extent of such supervision furnished the teacher during the employment by the board, within ten days after receiving such request. The school board may, after a hearing held upon due notice, discharge a teacher during the probationary period for cause, effective immediately, under section 122A.44.

(b) A board must discharge a probationary teacher, effective immediately, upon receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has been revoked due to a conviction for child abuse or sexual abuse.

(c) A probationary teacher whose first three years of consecutive employment are interrupted for active military service and who promptly resumes teaching consistent with federal reemployment timelines for uniformed service personnel under United States Code, title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes of paragraph (a).

(d) A probationary teacher must complete at least 120 days of teaching service each year during the probationary period. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school do not count as days of teaching service under this paragraph.

**EFFECTIVE DATE.** This section is effective for the 2012-2013 school year and later.

Sec. 8. [123B.022] PROHIBITIONS ON POLITICAL ACTIVITIES BY PUBLIC SCHOOL EMPLOYEES.

Local school boards shall develop and implement policies to ensure that publicly funded resources, including, but not limited to, time, materials, equipment, facilities, and e-mail and other forms of technology used to communicate are not used or authorized for use by public employees to:

- (1) advocate the election or defeat of any candidate for elective office;
- (2) advocate the passage or defeat of any referendum question; or
- (3) solicit funds for political purposes.

The policy also must define appropriate use and times of use of all computers at a school site with Internet access available for employee use.

Such policies shall not prohibit the use of public funds for disseminating factual information about a proposition appearing on a local ballot, if such information is factual and does not advocate for or against the proposition.

All school districts must make these policies readily accessible to the public.

**EFFECTIVE DATE.** This section is effective six months following final enactment.

Sec. 9. Minnesota Statutes 2010, section 123B.04, is amended to read:

**123B.04 SITE DECISION-MAKING; INDIVIDUALIZED LEARNING AGREEMENT; OTHER AGREEMENTS.**

Subdivision 1. **Definition.** "Education site" means a separate facility. A program within a facility or within a district is an education site if the school board recognizes it as a site.

Subd. 1a. **Individualized learning and instruction; improved student achievement.** To promote individualized learning and instruction and improve student achievement under subdivisions 4 and 4a, a participating school board under this section must consider how to:

(1) assist a school site to adapt instruction to the needs and aptitudes of individual students, and establish goals and standards for individual students in addition to the state academic standards applicable to all students;

(2) coordinate the pace of instruction and learning with the needs and aptitudes of individual students at a school site;

(3) provide useful data and assist with research in developing and improving innovative, cost-effective, research-based individualized learning, instruction, and assessment under this section and section 124D.10;

(4) demonstrate and help evaluate instructional alternatives to age-based grade progression;

(5) more effectively motivate students and teachers; and

(6) expand use of learning technology to support individualized learning, instruction, assessment, and achievement.

Subd. 2. **Agreement.** (a) The school board and a school site may enter into an agreement under this section solely to develop and implement an individualized learning and achievement contract

under subdivision 4.

~~(a)~~ (b) Upon the request of 60 percent of the licensed employees of a site or a school site decision-making team, the school board shall enter into discussions to reach an agreement concerning the governance, management, or control of the school. A school site decision-making team may include the school principal, teachers in the school or their designee, other employees in the school, representatives of pupils in the school, or other members in the community. A school site decision-making team must include at least one parent of a pupil in the school. For purposes of formation of a new site, a school site decision-making team may be a team of teachers that is recognized by the board as a site. The school site decision-making team shall include the school principal or other person having general control and supervision of the school. The site decision-making team must reflect the diversity of the education site. At least one-half of the members shall be employees of the district, unless an employee is the parent of a student enrolled in the school site, in which case the employee may elect to serve as a parent member of the site team.

~~(b)~~ (c) School site decision-making agreements must delegate powers, duties, and broad management responsibilities to site teams and involve staff members, students as appropriate, and parents in decision making.

~~(c)~~ (d) An agreement shall include a statement of powers, duties, responsibilities, and authority to be delegated to and within the site.

~~(d)~~ (e) An agreement may include:

- (1) an achievement contract according to subdivision 4;
- (2) a mechanism to allow principals, a site leadership team, or other persons having general control and supervision of the school, to make decisions regarding how financial and personnel resources are best allocated at the site and from whom goods or services are purchased;
- (3) a mechanism to implement parental involvement programs under section 124D.895 and to provide for effective parental communication and feedback on this involvement at the site level;
- (4) a provision that would allow the team to determine who is hired into licensed and nonlicensed positions;
- (5) a provision that would allow teachers to choose the principal or other person having general control;
- (6) an amount of revenue allocated to the site under subdivision 3; and
- (7) any other powers and duties determined appropriate by the board.

The school board of the district remains the legal employer under clauses (4) and (5).

~~(e)~~ (f) Any powers or duties not delegated to the school site management team in the school site management agreement shall remain with the school board.

~~(f)~~ (g) Approved agreements shall be filed with the commissioner. If a school board denies a request or the school site and school board fail to reach an agreement to enter into a school site management agreement, the school board shall provide a copy of the request and the reasons for its denial to the commissioner.

~~(g)~~ (h) A site decision-making grant program is established, consistent with this subdivision, to allow sites to implement an agreement that at least:

(1) notwithstanding subdivision 3, allocates to the site all revenue that is attributable to the students at that site;

(2) includes a provision, consistent with current law and the collective bargaining agreement in effect, that allows the site team to decide who is selected from within the district for licensed and nonlicensed positions at the site and to make staff assignments in the site; and

(3) includes a completed performance agreement under subdivision 4.

The commissioner shall establish the form and manner of the application for a grant and annually, at the end of each fiscal year, report to the house of representatives and senate committees having jurisdiction over education on the progress of the program.

Subd. 3. **Revenue and cost allocation.** Revenue for a fiscal year received or receivable by the district shall be allocated to education sites based on the agreement between the school board and the site decision-making team. Revenue shall remain allocated to each site until used by the site. The site teams and the board may enter an agreement that permits the district to provide services and retain the revenue required to pay for the services provided. The district remains responsible for legally entering into contracts and expending funds. For the purposes of this subdivision, "allocation" means that the determination of the use of the revenue shall be under the control of the site. The district may charge the accounts of each site the actual costs of goods and services from the general or capital funds attributable to the site.

Subd. 4. **Achievement contract.** A school board may enter a written education site achievement contract with each site decision-making team for ~~the purpose of:~~ (1) setting individualized learning performance expectations and achievement measures and short- and long-term educational goals for each student at that site, including the goals for improvement in each area of; (2) recognizing each student's educational needs and aptitudes and levels of academic attainment, whether on grade level or above or below grade level, so as to improve student performance through such means as a cost-effective, research-based formative assessment system designed to promote individualized learning and assessment; (3) using student performance data to diagnose a student's academic strengths and weaknesses and indicate to the student's teachers the specific skills and concepts that need to be introduced to the student and developed through academic instruction or applied learning, organized by strands within subject areas and linked to state and local academic standards during the next year, a plan to assist consistent with the student's short- and long-term educational goals; and (4) assisting the education site if their progress in achieving student or contract goals are not achieved, and or other performance expectations and or measures determined agreed to by the board and the site decision-making team are not realized or implemented.

Subd. 4a. **Additional site agreements premised on successful achievement contracts.** A school board that enters into a written education achievement contract with a school site under subdivision 4 where the student performance data at the site demonstrate at least three consecutive school years of improved student achievement consistent with the terms of the achievement contract must seek to establish a similar achievement contract with other school sites in the district.

Subd. 5. **Commissioner's role.** The commissioner of education, in consultation with appropriate educational organizations, shall:

- (1) upon request, provide technical support for districts and sites with agreements under this section;
- (2) conduct and compile research on the effectiveness of site decision making; and
- (3) periodically report on and evaluate the effectiveness of site management agreements on a statewide basis.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 10. Minnesota Statutes 2011 Supplement, section 123B.147, subdivision 3, is amended to read:

Subd. 3. **Duties; evaluation.** (a) The principal shall provide administrative, supervisory, and instructional leadership services, under the supervision of the superintendent of schools of the district and according to the policies, rules, and regulations of the school board, for the planning, management, operation, and evaluation of the education program of the building or buildings to which the principal is assigned.

(b) To enhance a principal's leadership skills and support and improve teaching practices, school performance, and student achievement, a district must develop and implement a performance-based system for annually evaluating school principals assigned to supervise a school building within the district. The evaluation must be designed to improve teaching and learning by supporting the principal in shaping the school's professional environment and developing teacher quality, performance, and effectiveness. The annual evaluation must:

- (1) support and improve a principal's instructional leadership, organizational management, and professional development, and strengthen the principal's capacity in the areas of instruction, supervision, evaluation, and teacher development;
- (2) include formative and summative evaluations;
- (3) be consistent with a principal's job description, a district's long-term plans and goals, and the principal's own professional multiyear growth plans and goals, all of which must support the principal's leadership behaviors and practices, rigorous curriculum, school performance, and high-quality instruction;
- (4) include on-the-job observations and previous evaluations;
- (5) allow surveys to help identify a principal's effectiveness, leadership skills and processes, and strengths and weaknesses in exercising leadership in pursuit of school success;
- (6) use longitudinal data on student academic growth as ~~an~~ 35 percent of the evaluation component and incorporate district achievement goals and targets;
- (7) be linked to professional development that emphasizes improved teaching and learning, curriculum and instruction, student learning, and a collaborative professional culture; and
- (8) for principals not meeting standards of professional practice or other criteria under this subdivision, implement a plan to improve the principal's performance and specify the procedure and consequence if the principal's performance is not improved.

The provisions of this paragraph are intended to provide districts with sufficient flexibility to accommodate district needs and goals related to developing, supporting, and evaluating principals.

**EFFECTIVE DATE.** This section is effective for the 2013-2014 school year and later.

Sec. 11. Minnesota Statutes 2010, section 124D.09, subdivision 22, is amended to read:

Subd. 22. **Transportation.** (a) A parent or guardian of a pupil enrolled in a course for secondary credit may apply to the pupil's district of residence for reimbursement for transporting the pupil between the secondary school in which the pupil is enrolled or the pupil's home and the postsecondary institution that the pupil attends. The state shall provide state aid to a district in an amount sufficient to reimburse the parent or guardian for the necessary transportation costs when the family's or guardian's income is at or below the poverty level, as determined by the federal government. The reimbursement shall be the pupil's actual cost of transportation or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for more than 250 miles per week. However, if the nearest postsecondary institution is more than 25 miles from the pupil's resident secondary school, the weekly reimbursement may not exceed the reimbursement rate per mile times the actual distance between the secondary school or the pupil's home and the nearest postsecondary institution times ten. The state must pay aid to the district according to this subdivision.

(b) A parent or guardian of an alternative pupil enrolled in a course for secondary credit may apply to the pupil's postsecondary institution for reimbursement for transporting the pupil between the secondary school in which the pupil is enrolled or the pupil's home and the postsecondary institution in an amount sufficient to reimburse the parent or guardian for the necessary transportation costs when the family's or guardian's income is at or below the poverty level, as determined by the federal government. The amount of the reimbursement shall be determined as in paragraph (a). The state must pay aid to the postsecondary institution according to this subdivision.

Sec. 12. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 3, is amended to read:

Subd. 3. **Authorizer.** (a) For purposes of this section, the terms defined in this subdivision have the meanings given them.

"Application" to receive approval as an authorizer means the proposal an eligible authorizer submits to the commissioner under paragraph (c) before that authorizer is able to submit any affidavit to charter to a school.

"Application" under subdivision 4 means the charter school business plan a school developer submits to an authorizer for approval to establish a charter school that documents the school developer's mission statement, school purposes, program design, financial plan, governance and management structure, and background and experience, plus any other information the authorizer requests. The application also shall include a "statement of assurances" of legal compliance prescribed by the commissioner.

"Affidavit" means a written statement the authorizer submits to the commissioner for approval to establish a charter school under subdivision 4 attesting to its review and approval process before chartering a school.

(b) The following organizations may authorize one or more charter schools:

(1) a school board; intermediate school district school board; education district organized under sections 123A.15 to 123A.19;

(2) a charitable organization under section 501(c)(3) of the Internal Revenue Code of 1986, excluding a nonpublic sectarian or religious institution, any person other than a natural person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the nonpublic sectarian or religious institution, and any other charitable organization under this clause that in the federal IRS Form 1023, Part IV, describes activities indicating a religious purpose, that:

(i) is a member of the Minnesota Council of Nonprofits or the Minnesota Council on Foundations;

(ii) is registered with the attorney general's office; and

(iii) is incorporated in the state of Minnesota and has been operating continuously for at least five years but does not operate a charter school;

(3) a Minnesota private college, notwithstanding clause (2), that grants two- or four-year degrees and is registered with the Minnesota Office of Higher Education under chapter 136A; community college, state university, or technical college governed by the Board of Trustees of the Minnesota State Colleges and Universities; or the University of Minnesota;

(4) a nonprofit corporation subject to chapter 317A, described in section 317A.905, and exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code of 1986, may authorize one or more charter schools if the charter school has operated for at least three years under a different authorizer and if the nonprofit corporation has existed for at least 25 years; or

(5) single-purpose authorizers that are charitable, nonsectarian organizations formed under section 501(c)(3) of the Internal Revenue Code of 1986 and incorporated in the state of Minnesota whose sole purpose is to charter schools. Eligible organizations interested in being approved as an authorizer under this paragraph must submit a proposal to the commissioner that includes the provisions of paragraph (c) and a five-year financial plan. Such authorizers shall consider and approve applications using the criteria provided in subdivision 4 and shall not limit the applications it solicits, considers, or approves to any single curriculum, learning program, or method.

(c) An eligible authorizer under this subdivision must apply to the commissioner for approval as an authorizer before submitting any affidavit to the commissioner to charter a school. The application for approval as a charter school authorizer must demonstrate the applicant's ability to implement the procedures and satisfy the criteria for chartering a school under this section. The commissioner must approve or disapprove an application within 45 business days of the application deadline. If the commissioner disapproves the application, the commissioner must notify the applicant of the specific deficiencies in writing and the applicant then has 20 business days to address the deficiencies to the commissioner's satisfaction. After the 20 business days expire, the commissioner has 15 business days to make a final decision to approve or disapprove the application. Failing to address the deficiencies to the commissioner's satisfaction makes an applicant ineligible to be an authorizer. The commissioner, in establishing criteria for approval, must consider the applicant's:

(1) capacity and infrastructure;

(2) application criteria and process;

- (3) contracting process;
- (4) ongoing oversight and evaluation processes; and
- (5) renewal criteria and processes.

(d) An applicant must include in its application to the commissioner to be an approved authorizer at least the following:

- (1) how chartering schools is a way for the organization to carry out its mission;
  - (2) a description of the capacity of the organization to serve as an authorizer, including the personnel who will perform the authorizing duties, their qualifications, the amount of time they will be assigned to this responsibility, and the financial resources allocated by the organization to this responsibility;
  - (3) a description of the application and review process the authorizer will use to make decisions regarding the granting of charters;
  - (4) a description of the type of contract it will arrange with the schools it charters that meets the provisions of subdivision 6;
  - (5) the process to be used for providing ongoing oversight of the school consistent with the contract expectations specified in clause (4) that assures that the schools chartered are complying with both the provisions of applicable law and rules, and with the contract;
  - (6) a description of the criteria and process the authorizer will use to grant expanded applications under subdivision 4, paragraph (j);
  - (7) the process for making decisions regarding the renewal or termination of the school's charter based on evidence that demonstrates the academic, organizational, and financial competency of the school, including its success in increasing student achievement and meeting the goals of the charter school agreement; and
  - (8) an assurance specifying that the organization is committed to serving as an authorizer for the full five-year term.
- (e) A disapproved applicant under this section may resubmit an application during a future application period.
- (f) If the governing board of an approved authorizer ~~that has chartered multiple schools~~ votes to withdraw as an approved authorizer for a reason unrelated to any cause under subdivision 23, the authorizer must notify all its chartered schools and the commissioner in writing by July 15 of its intent to withdraw as an authorizer on June 30 in the next calendar year. The commissioner may approve the transfer of a charter school to a new authorizer under this paragraph after the new authorizer submits an affidavit to the commissioner.
- (g) The authorizer must participate in department-approved training.
- (h) An authorizer that chartered a school before August 1, 2009, must apply by June 30, 2012, to the commissioner for approval, under paragraph (c), to continue as an authorizer under this section. For purposes of this paragraph, an authorizer that fails to submit a timely application is ineligible



to charter a school.

(i) The commissioner shall review an authorizer's performance every five years in a manner and form determined by the commissioner and may review an authorizer's performance more frequently at the commissioner's own initiative or at the request of a charter school operator, charter school board member, or other interested party. The commissioner, after completing the review, shall transmit a report with findings to the authorizer. If, consistent with this section, the commissioner finds that an authorizer has not fulfilled the requirements of this section, the commissioner may subject the authorizer to corrective action, which may include terminating the contract with the charter school board of directors of a school it chartered. The commissioner must notify the authorizer in writing of any findings that may subject the authorizer to corrective action and the authorizer then has 15 business days to request an informal hearing before the commissioner takes corrective action. If the commissioner terminates a contract between an authorizer and a charter school under this paragraph, the commissioner may assist the charter school in acquiring a new authorizer.

(j) The commissioner may at any time take corrective action against an authorizer, including terminating an authorizer's ability to charter a school for:

(1) failing to demonstrate the criteria under paragraph (c) under which the commissioner approved the authorizer;

(2) violating a term of the chartering contract between the authorizer and the charter school board of directors;

(3) unsatisfactory performance as an approved authorizer; or

(4) any good cause shown that provides the commissioner a legally sufficient reason to take corrective action against an authorizer.

Sec. 13. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 4, is amended to read:

Subd. 4. **Formation of school.** (a) An authorizer, after receiving an application from a school developer, may charter a licensed teacher under section 122A.18, subdivision 1, or a group of individuals that includes one or more licensed teachers under section 122A.18, subdivision 1, to operate a school subject to the commissioner's approval of the authorizer's affidavit under paragraph (b). The school must be organized and operated as a nonprofit corporation under chapter 317A and the provisions under the applicable chapter shall apply to the school except as provided in this section.

Notwithstanding sections 465.717 and 465.719, a school district, subject to this section and section 124D.11, may create a corporation for the purpose of establishing a charter school.

(b) Before the operators may establish and operate a school, the authorizer must file an affidavit with the commissioner stating its intent to charter a school. An authorizer must file a separate affidavit for each school it intends to charter. The affidavit must state the terms and conditions under which the authorizer would charter a school and how the authorizer intends to oversee the fiscal and student performance of the charter school and to comply with the terms of the written contract between the authorizer and the charter school board of directors under subdivision 6. The commissioner must approve or disapprove the authorizer's affidavit within 60 business days

of receipt of the affidavit. If the commissioner disapproves the affidavit, the commissioner shall notify the authorizer of the deficiencies in the affidavit and the authorizer then has 20 business days to address the deficiencies. If the authorizer does not address deficiencies to the commissioner's satisfaction, the commissioner's disapproval is final. Failure to obtain commissioner approval precludes an authorizer from chartering the school that is the subject of this affidavit.

(c) The authorizer may prevent an approved charter school from opening for operation if, among other grounds, the charter school violates this section or does not meet the ready-to-open standards that are part of the authorizer's oversight and evaluation process or are stipulated in the charter school contract.

(d) The operators authorized to organize and operate a school, before entering into a contract or other agreement for professional or other services, goods, or facilities, must incorporate as a nonprofit corporation under chapter 317A and must establish a board of directors composed of at least five members who are not related parties until a timely election for members of the ongoing charter school board of directors is held according to the school's articles and bylaws under paragraph (f). A charter school board of directors must be composed of at least five members who are not related parties. Staff members employed at the school, including teachers providing instruction under a contract with a cooperative, and all parents or legal guardians of children enrolled in the school are the voters eligible to elect the members of the school's board of directors. A charter school must notify eligible voters of the school board election dates at least 30 days before the election. Board of director meetings must comply with chapter 13D.

(e) ~~Upon the request of an individual, the charter school must make available in a timely fashion~~ A charter school shall publish and maintain on the school's official Web Site: (1) the minutes of meetings of the board of directors, and of members and committees having any board-delegated authority; for at least one calendar year from the date of publication; (2) directory information for members of the board of directors and committees having board-delegated authority; and (3) identifying and contact information for the school's authorizer. Identifying and contact information for the school's authorizer must be included in other school materials made available to the public. ~~Upon request of an individual, the charter school must also make available in a timely fashion~~ financial statements showing all operations and transactions affecting income, surplus, and deficit during the school's last annual accounting period; and a balance sheet summarizing assets and liabilities on the closing date of the accounting period. A charter school also must post on its official Web site information identifying its authorizer and indicate how to contact that authorizer and include that same information about its authorizer in other school materials that it makes available to the public.

(f) Every charter school board member shall attend ~~department-approved~~ ongoing training throughout the member's term on board governance, including training on the board's role and responsibilities, employment policies and practices, and financial management. A board member who does not begin the required initial training within six months after being seated and complete that training within 12 months of being seated on the board is ineligible to continue to serve as a board member. The school shall include in its annual report the training attended by each board member during the previous year.

(g) The ongoing board must be elected before the school completes its third year of operation. Board elections must be held during the school year but may not be conducted on days when the school is closed for holidays or vacations. The charter school board of directors shall be composed

of at least five nonrelated members and include: (i) at least one licensed teacher employed at the school or a licensed teacher providing instruction under contract between the charter school and a cooperative; (ii) the parent or legal guardian of a student enrolled in the charter school who is not an employee of the charter school; and (iii) an interested community member who is not employed by the charter school and does not have a child enrolled in the school. The board may be a teacher majority board composed of teachers described in this paragraph. The chief financial officer and the chief administrator may only serve as ex-officio nonvoting board members and may not serve as a voting member of the board. Charter school employees shall not serve on the board unless item (i) applies. Contractors providing facilities, goods, or services to a charter school shall not serve on the board of directors of the charter school. Board bylaws shall outline the process and procedures for changing the board's governance model, consistent with chapter 317A. A board may change its governance model only:

(1) by a majority vote of the board of directors and the licensed teachers employed by the school, including licensed teachers providing instruction under a contract between the school and a cooperative; and

(2) with the authorizer's approval.

Any change in board governance must conform with the board structure established under this paragraph.

(h) The granting or renewal of a charter by an authorizer must not be conditioned upon the bargaining unit status of the employees of the school.

(i) The granting or renewal of a charter school by an authorizer must not be contingent on the charter school being required to contract, lease, or purchase services from the authorizer. Any potential contract, lease, or purchase of service from an authorizer must be disclosed to the commissioner, accepted through an open bidding process, and be a separate contract from the charter contract. The school must document the open bidding process. An authorizer must not enter into a contract to provide management and financial services for a school that it authorizes, unless the school documents that it received at least two competitive bids.

(j) An authorizer may permit the board of directors of a charter school to expand the operation of the charter school to additional sites or to add additional grades at the school beyond those described in the authorizer's original affidavit as approved by the commissioner only after submitting a supplemental affidavit for approval to the commissioner in a form and manner prescribed by the commissioner. The supplemental affidavit must document that:

(1) the proposed expansion plan demonstrates need and projected enrollment;

(2) the expansion is warranted, at a minimum, by longitudinal data demonstrating students' improved academic performance and growth on statewide assessments under chapter 120B;

(3) the charter school is financially sound and the financing it needs to implement the proposed expansion exists; and

(4) the charter school has the governance structure and management capacity to carry out its expansion.

(k) The commissioner shall have 30 business days to review and comment on the supplemental

~~affidavit. The commissioner shall notify the authorizer of any deficiencies in the supplemental affidavit and the authorizer then has 20 business days to address, to the commissioner's satisfaction, any deficiencies in the supplemental affidavit. The authorizer may not give final approval to the school may not to expand grades or add sites until the commissioner has approved the supplemental affidavit. The commissioner's approval or disapproval of a supplemental affidavit is final completes the review and comment process.~~

(1) A charter school operating under this section may merge with another charter school. The merger must comply with chapter 317A and section 124D.11, subdivision 9, paragraph (g). Upon a formal vote of the board of directors of each charter school involved and written notice of intent to the authorizer of each school, the schools may negotiate a merger plan that must include at least the following:

(1) a merger budget, a multiyear operating budget for the merged charter school, a long-range financial plan, and a plan for the transfer of assets and liabilities to the merged charter school;

(2) a process for transitioning responsibility of governance, administration, and all operations to the merged charter school;

(3) a statement of academic, student engagement, and organizational operations goals for the merged charter school; and

(4) an agreement between involved authorizers on the authorizing plan for the merged charter school.

The approval of the boards of directors of the merging charter schools, the authorizers of those schools, and the authorizer of the merged charter school is required to adopt the merger plan. After the merger plan is adopted, the authorizer of the merged charter school must submit the plan to the commissioner for review and comment. The commissioner must complete the review and comment of the plan within 30 business days. The merger may not take effect until the commissioner completes the review and comment.

Sec. 14. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 6, is amended to read:

Subd. 6. **Charter contract.** The authorization for a charter school must be in the form of a written contract signed by the authorizer and the board of directors of the charter school. The contract must be completed within 45 business days of the commissioner's approval of the authorizer's affidavit. The authorizer shall submit to the commissioner a copy of the signed charter contract within ten business days of its execution. The contract for a charter school must be in writing and contain at least the following:

(1) a declaration of the purposes in subdivision 1 that the school intends to carry out and how the school will report its implementation of those purposes;

(2) a description of the school program and the specific academic and nonacademic outcomes that pupils must achieve;

(3) a statement of admission policies and procedures;

(4) a governance, management, and administration plan for the school;

(5) signed agreements from charter school board members to comply with all federal and state laws governing organizational, programmatic, and financial requirements applicable to charter schools;

(6) the criteria, processes, and procedures that the authorizer will use for ongoing oversight of operational, financial, and academic performance;

(7) the performance evaluation that is a prerequisite for reviewing a charter contract under subdivision 15;

(8) types and amounts of insurance liability coverage to be obtained by the charter school;

(9) consistent with subdivision 25, paragraph (d), a provision to indemnify and hold harmless the authorizer and its officers, agents, and employees from any suit, claim, or liability arising from any operation of the charter school, and the commissioner and department officers, agents, and employees notwithstanding section 3.736;

(10) the term of the initial contract, which may be up to ~~three~~ five years plus an additional preoperational planning year, and up to five years for a renewed contract or a contract with a new authorizer after a transfer of authorizers, if warranted by the school's academic, financial, and operational performance;

(11) how the board of directors or the operators of the charter school will provide special instruction and services for children with a disability under sections 125A.03 to 125A.24, and 125A.65, a description of the financial parameters within which the charter school will operate to provide the special instruction and services to children with a disability;

(12) the process the authorizer will use for making decisions regarding the renewal, termination, and an appeal process of such termination, of the school's charter based on evidence that demonstrates the academic, organizational, and financial competency of the school, including its success in increasing student achievement and meeting the goals of the charter school agreement;

(13) a dispute resolution process agreed upon by the authorizer and the charter school that includes at least the following:

(i) a written notice process to invoke the dispute resolution process and a description of the matter in dispute;

(ii) a time limit for response; and

(iii) a process for final resolution of the issue in dispute;

~~(12)~~ (14) the process and criteria the authorizer intends to use to monitor and evaluate the fiscal and student performance of the charter school, consistent with subdivision 15; and

~~(13)~~ (15) the plan for an orderly closing of the school under chapter 317A, if the closure is a termination for cause, a voluntary termination, or a nonrenewal of the contract, and that includes establishing the responsibilities of the school board of directors and the authorizer and notifying the commissioner, authorizer, school district in which the charter school is located, and parents of enrolled students about the closure, the transfer of student records to students' resident districts, and procedures for closing financial operations.

Sec. 15. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 10, is amended to read:

Subd. 10. **Pupil performance.** (a) A charter school must design its programs to at least meet the outcomes adopted by the commissioner for public school students. In the absence of the commissioner's requirements, the school must meet the outcomes contained in the contract with the authorizer. The achievement levels of the outcomes contained in the contract may exceed the achievement levels of any outcomes adopted by the commissioner for public school students.

(b) A charter school where 70 percent or more of enrolled students are eligible to participate in the graduation incentives program under section 124D.68 is deemed an area learning center for the purpose of evaluating student and school academic performance outcomes and determining a school graduation rate.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 16. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 11, is amended to read:

Subd. 11. **Employment and other operating matters.** (a) A charter school must employ or contract with necessary teachers, as defined by section 122A.15, subdivision 1, who hold valid licenses to perform the particular service for which they are employed in the school. The charter school's state aid may be reduced under section 127A.43 if the school employs a teacher who is not appropriately licensed or approved by the board of teaching. The school may employ necessary employees who are not required to hold teaching licenses to perform duties other than teaching and may contract for other services. The school may discharge teachers and nonlicensed employees. The charter school board is subject to section 181.932. When offering employment to a prospective employee, a charter school must give that employee a written description of the terms and conditions of employment and the school's personnel policies.

(b) A person, without holding a valid administrator's license, may perform administrative, supervisory, or instructional leadership duties. The board of directors shall establish qualifications for persons that hold administrative, supervisory, or instructional leadership roles. The qualifications shall include at least the following areas: instruction and assessment; human resource and personnel management; financial management; legal and compliance management; effective communication; and board, authorizer, and community relationships. The board of directors shall use those qualifications as the basis for job descriptions, hiring, and performance evaluations of those who hold administrative, supervisory, or instructional leadership roles. The board of directors and an individual who does not hold a valid administrative license and who serves in an administrative, supervisory, or instructional leadership position shall develop a professional development plan. Documentation of the implementation of the professional development plan of these persons shall be included in the school's annual report.

(c) The board of directors also shall decide matters related to the operation of the school, including budgeting, curriculum and operating procedures.

(d) The board of directors shall adopt and implement a performance evaluation process for all employees of the school. The performance evaluation process for teachers and administrators must be designed to support and improve pupil learning and student achievement, instructional leadership, and enhancing school outcomes, and must be linked to professional development.

Sec. 17. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 13, is amended to read:

Subd. 13. **Length of school year.** A charter school must provide instruction each year for at least the number of ~~days~~ hours required by section 120A.41. It may provide instruction throughout the year according to sections 124D.12 to 124D.127 or 124D.128.

Sec. 18. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 14, is amended to read:

Subd. 14. **Annual public reports.** A charter school must publish an annual report approved by the board of directors. The annual report must at least include information on school enrollment, student attrition, governance and management, staffing, finances, academic performance, operational performance, innovative practices and implementation, and future plans. A charter school must distribute the annual report by publication, mail, or electronic means to the ~~commissioner~~, authorizer, school employees, and parents and legal guardians of students enrolled in the charter school and must also post the report on the charter school's official Web site. The reports are public data under chapter 13.

Sec. 19. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 15, is amended to read:

Subd. 15. **Review and comment.** (a) The authorizer shall provide a formal written evaluation of the school's performance before the authorizer renews the charter contract. The department must review and comment on the authorizer's evaluation process at the time the authorizer submits its application for approval and each time the authorizer undergoes its five-year review under subdivision 3, paragraph (e).

(b) An authorizer shall monitor and evaluate the fiscal, operational, and student performance of the school, and may for this purpose annually assess a charter school a fee according to paragraph (c). The agreed-upon fee structure must be stated in the charter school contract.

(c) The fee that each charter school pays to an authorizer each year is the greater of:

(1) the basic formula allowance for that year; or

(2) the lesser of:

(i) the maximum fee factor times the basic formula allowance for that year; or

(ii) the fee factor times the basic formula allowance for that year times the charter school's adjusted marginal cost pupil units for that year. The fee factor equals .005 in fiscal year 2010, .01 in fiscal year 2011, .013 in fiscal year 2012, and .015 in fiscal years 2013 and later. The maximum fee factor equals 1.5 in fiscal year 2010, 2.0 in fiscal year 2011, 3.0 in fiscal year 2012, and 4.0 in fiscal years 2013 and later.

~~(d) The department and any charter school it charters must not assess or pay a fee under paragraphs (b) and (c).~~ (e) An authorizer may not assess a fee for any required services other than as provided in this subdivision.

(e) For the preoperational planning period, the authorizer may assess a charter school a fee equal to the basic formula allowance.

(f) By September 30 of each year, an authorizer shall submit to the commissioner a statement of expenditures related to chartering activities during the previous school year ending June 30. A copy of the statement shall be given to all schools chartered by the authorizer.

Sec. 20. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 17a, is amended to read:

Subd. 17a. **Affiliated nonprofit building corporation.** (a) Before a charter school may organize an affiliated nonprofit building corporation (i) to renovate or purchase an existing facility to serve as a school or (ii) to construct a new school facility, an authorizer must submit an affidavit to the commissioner for approval in the form and manner the commissioner prescribes, and consistent with paragraphs (b) and (c) or (d).

(b) An affiliated nonprofit building corporation under this subdivision must:

(1) be incorporated under section 317A ~~and comply with applicable Internal Revenue Service regulations;~~

(2) comply with applicable Internal Revenue Service regulations, including regulations for "supporting organizations" as defined by the Internal Revenue Service;

~~(2)~~ (3) submit to the commissioner each fiscal year a list of current board members and a copy of its annual audit; and

~~(3)~~ (4) comply with government data practices law under chapter 13.

An affiliated nonprofit building corporation must not serve as the leasing agent for property or facilities it does not own. A charter school that leases a facility from an affiliated nonprofit building corporation that does not own the leased facility is ineligible to receive charter school lease aid. The state is immune from liability resulting from a contract between a charter school and an affiliated nonprofit building corporation.

(c) A charter school may organize an affiliated nonprofit building corporation to renovate or purchase an existing facility to serve as a school if the charter school:

(1) has been operating for at least five consecutive school years;

(2) has had a net positive unreserved general fund balance as of June 30 in the preceding five fiscal years;

(3) has a long-range strategic and financial plan;

(4) completes a feasibility study of available buildings; ~~and~~

(5) documents enrollment projections and the need to use an affiliated building corporation to renovate or purchase an existing facility to serve as a school; and

(6) has a plan for the renovation or purchase, which describes the parameters and budget for the project.

(d) A charter school may organize an affiliated nonprofit building corporation to expand an existing school facility or construct a new school facility if the charter school:



- (1) demonstrates the lack of facilities available to serve as a school;
- (2) has been operating for at least eight consecutive school years;
- (3) has had a net positive unreserved general fund balance as of June 30 in the preceding ~~eight~~ five fiscal years;
- (4) completes a feasibility study of facility options;
- (5) has a long-range strategic and financial plan that includes enrollment projections and demonstrates the need for constructing a new school facility; and
- (6) has a plan for the expansion or new school facility, which describes the parameters and budget for the project.

(e) A charter school or an affiliated nonprofit building corporation organized by a charter school must not initiate an installment contract for purchase, or a lease agreement, or solicit bids for new construction, expansion, or remodeling of an educational facility that requires an expenditure in excess of \$1,400,000, unless it meets the criteria in paragraph (b) and paragraph (c) or (d), as applicable, and receives a positive review and comment from the commissioner under section 123B.71.

Sec. 21. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 23, is amended to read:

**Subd. 23. Causes for nonrenewal or termination of charter school contract.** (a) The duration of the contract with an authorizer must be for the term contained in the contract according to subdivision 6. The authorizer may or may not renew a contract at the end of the term for any ground listed in paragraph (b). An authorizer may unilaterally terminate a contract during the term of the contract for any ground listed in paragraph (b). At least 60 business days before not renewing or terminating a contract, the authorizer shall notify the board of directors of the charter school of the proposed action in writing. The notice shall state the grounds for the proposed action in reasonable detail and that the charter school's board of directors may request in writing an informal hearing before the authorizer within 15 business days of receiving notice of nonrenewal or termination of the contract. Failure by the board of directors to make a written request for an informal hearing within the 15-business-day period shall be treated as acquiescence to the proposed action. Upon receiving a timely written request for a hearing, the authorizer shall give ten business days' notice to the charter school's board of directors of the hearing date. The authorizer shall conduct an informal hearing before taking final action. The authorizer shall take final action to renew or not renew a contract no later than 20 business days before the proposed date for terminating the contract or the end date of the contract.

- (b) A contract may be terminated or not renewed upon any of the following grounds:
- (1) failure to meet the requirements for pupil performance contained in the contract;
  - (2) failure to meet generally accepted standards of fiscal management;
  - (3) violations of law; or
  - (4) other good cause shown.

If a contract is terminated or not renewed under this paragraph, the school must be dissolved according to the applicable provisions of chapter 317A.

(c) If the authorizer and the charter school board of directors mutually agree to terminate or not renew the contract, for reasons other than paragraph (b), a change in transfer of authorizers is allowed if the commissioner approves the change to a different eligible authorizer to authorize the charter school. Both parties at the end of the current contract with the consent of the current authorizer and after review and comment of the commissioner. The school and current authorizer must jointly submit their intent in writing to the commissioner to mutually terminate the contract. The authorizer that is a party to the existing contract must inform the proposed authorizer about the fiscal and operational status and, student performance level, and any unresolved issues related to the contract or oversight of the school. Before the commissioner determines whether to approve a change in authorizer, the proposed authorizer must identify any outstanding issues in the proposed charter contract that were unresolved in the previous charter contract and have the charter school agree to resolve those issues. If no change in authorizer is approved, the school must be dissolved according to applicable law and the terms of the contract. The proposed authorizer must submit to the commissioner a copy of the proposed new contract for comment and review. The contract must identify all unresolved contract or oversight issues that exist and include a plan that the charter school and authorizer have agreed upon to resolve those issues. The commissioner shall have 20 business days to conduct the review and comment of the contract. The transfer may not go into effect until the review and comment of the commissioner is completed.

(d) The commissioner, after providing reasonable notice to the board of directors of a charter school and the existing authorizer, and after providing an opportunity for a public hearing, may terminate the existing contract between the authorizer and the charter school board if the charter school has a history of:

- (1) failure to meet pupil performance requirements consistent with state law;
- (2) financial mismanagement or failure to meet generally accepted standards of fiscal management; or
- (3) repeated or major violations of the law.

Sec. 22. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 25, is amended to read:

Subd. 25. **Extent of specific legal authority.** (a) The board of directors of a charter school may sue and be sued.

(b) The board may not levy taxes or issue bonds.

(c) The commissioner, an authorizer, members of the board of an authorizer in their official capacity, and employees of an authorizer are immune from civil or criminal liability with respect to all activities related to a charter school they approve or authorize. The board of directors shall obtain at least the amount of and types of insurance up to the applicable tort liability limits under chapter 466. The charter school board must submit a copy of the insurance policy to its authorizer and the commissioner before starting operations. The charter school board must submit notify its authorizer of changes in its insurance carrier or policy to its authorizer and the commissioner amount limits within 20 business days of the change.

(d) Notwithstanding section 3.736, the charter school shall assume full liability for its activities and indemnify and hold harmless the authorizer and its officers, agents, and employees from any suit, claim, or liability arising from any operation of the charter school and the commissioner and department officers, agents, and employees. A charter school is not required to indemnify or hold harmless a state employee if the state would not be required to indemnify and hold the employee harmless under section 3.736, subdivision 9.

Sec. 23. Minnesota Statutes 2011 Supplement, section 124D.10, is amended by adding a subdivision to read:

Subd. 27. **Collaboration between charter school and school district.** (a) A charter school board may voluntarily enter into a two-year, renewable agreement for collaboration to enhance student achievement with a school district within whose geographic boundary it operates.

(b) A school district need not be an approved authorizer to enter into a collaboration agreement with a charter school. A charter school need not be authorized by the school district with which it seeks to collaborate.

(c) A charter school authorizer is prohibited from requiring a collaboration agreement as a condition of entering into or renewing a charter contract as defined in subdivision 6.

(d) Nothing in this subdivision or in the collaboration agreement may impact in any way, the authority or autonomy of the charter school.

(e) Nothing in this subdivision or in the collaboration agreement shall cause the state to pay twice for the same student, service or facility or otherwise impact state funding, or the flow thereof, to the school district or the charter school.

(f) The collaboration agreement may include, but need not be limited to, collaboration regarding facilities, transportation, training, student achievement, assessments, mutual performance standards and other areas of mutual agreement.

(g) The school district shall include the academic performance of the students of a collaborative charter school site operating within the geographic boundaries of the school district, for purposes of student assessment and reporting to the state.

Sec. 24. Minnesota Statutes 2011 Supplement, section 124D.4531, subdivision 1, is amended to read:

Subdivision 1. **Career and technical levy.** (a) A district with a career and technical program approved under this section for the fiscal year in which the levy is certified may levy an amount equal to the greater of:

(1) \$80 times the district's average daily membership in grades 9 through 12 for the fiscal year in which the levy is certified; or

(2) 35 percent of approved expenditures in the fiscal year in which the levy is certified for the following:

(i) salaries paid to essential, licensed personnel providing direct instructional services to students in that fiscal year, including extended contracts, for services rendered in the district's approved career and technical education programs;

(ii) contracted services provided by a public or private agency other than a Minnesota school district or cooperative center under subdivision 7;

(iii) necessary travel between instructional sites by licensed career and technical education personnel;

(iv) necessary travel by licensed career and technical education personnel for vocational student organization activities held within the state for instructional purposes;

(v) curriculum development activities that are part of a five-year plan for improvement based on program assessment;

(vi) necessary travel by licensed career and technical education personnel for noncollegiate credit-bearing professional development; and

(vii) specialized vocational instructional supplies.

(b) Up to ten percent of a district's career and technical levy may be spent on equipment purchases. Districts using the career and technical levy for equipment purchases must report to the department on the improved learning opportunities for students that result from the investment in equipment.

(c) The district must recognize the full amount of this levy as revenue for the fiscal year in which it is certified.

(d) The amount of the levy certified under this subdivision may not exceed \$17,850,000 for taxes payable in 2012, ~~\$15,520,000~~ \$18,549,000 for taxes payable in 2013, and ~~\$15,545,000~~ \$21,810,000 for taxes payable in 2014.

(e) If the estimated levy exceeds the amount in paragraph (d), the commissioner must reduce the percentage in paragraph (a), clause (2), until the estimated levy no longer exceeds the limit in paragraph (d).

**EFFECTIVE DATE.** This section is effective for taxes payable in 2013 and later.

Sec. 25. Minnesota Statutes 2011 Supplement, section 124D.98, subdivision 2, is amended to read:

Subd. 2. **Proficiency aid.** In fiscal year 2013 and later, the proficiency aid for each school is equal to the product of the school's proficiency allowance times the number of third grade pupils at the school on October 1 of the previous fiscal year. A school's proficiency allowance is equal to the percentage of students in each building that meet or exceed proficiency on the third grade reading Minnesota Comprehensive Assessment, averaged across the previous three test administrations, times ~~\$85~~ \$530.

Sec. 26. Minnesota Statutes 2011 Supplement, section 124D.98, subdivision 3, is amended to read:

Subd. 3. **Growth aid.** In fiscal year 2013 and later, the growth aid for each school is equal to the product of the school's growth allowance times the number of fourth grade pupils enrolled at the school on October 1 of the previous fiscal year. A school's growth allowance is equal to the percentage of students at that school making medium or high growth, under section 120B.299, on

the fourth grade reading Minnesota Comprehensive Assessment, averaged across the previous three test administrations, times ~~\$85~~ \$530.

Sec. 27. Minnesota Statutes 2011 Supplement, section 126C.40, subdivision 1, is amended to read:

Subdivision 1. **To lease building or land.** (a) When an independent or a special school district or a group of independent or special school districts finds it economically advantageous to rent or lease a building or land for any instructional purposes or for school storage or furniture repair, and it determines that the operating capital revenue authorized under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the commissioner for permission to make an additional capital expenditure levy for this purpose. An application for permission to levy under this subdivision must contain financial justification for the proposed levy, the terms and conditions of the proposed lease, and a description of the space to be leased and its proposed use.

(b) The criteria for approval of applications to levy under this subdivision must include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the leased building or land, conformity of the lease to the laws and rules of the state of Minnesota, and the appropriateness of the proposed lease to the space needs and the financial condition of the district. The commissioner must not authorize a levy under this subdivision in an amount greater than the cost to the district of renting or leasing a building or land for approved purposes. The proceeds of this levy must not be used for custodial or other maintenance services. A district may not levy under this subdivision for the purpose of leasing or renting a district-owned building or site to itself.

(c) For agreements finalized after July 1, 1997, a district may not levy under this subdivision for the purpose of leasing: (1) a newly constructed building used primarily for regular kindergarten, elementary, or secondary instruction; or (2) a newly constructed building addition or additions used primarily for regular kindergarten, elementary, or secondary instruction that contains more than 20 percent of the square footage of the previously existing building.

(d) Notwithstanding paragraph (b), a district may levy under this subdivision for the purpose of leasing or renting a district-owned building or site to itself only if the amount is needed by the district to make payments required by a lease purchase agreement, installment purchase agreement, or other deferred payments agreement authorized by law, and the levy meets the requirements of paragraph (c). A levy authorized for a district by the commissioner under this paragraph may be in the amount needed by the district to make payments required by a lease purchase agreement, installment purchase agreement, or other deferred payments agreement authorized by law, provided that any agreement include a provision giving the school districts the right to terminate the agreement annually without penalty.

(e) The total levy under this subdivision for a district for any year must not exceed \$150 times the resident pupil units for the fiscal year to which the levy is attributable.

(f) For agreements for which a review and comment have been submitted to the Department of Education after April 1, 1998, the term "instructional purpose" as used in this subdivision excludes expenditures on stadiums.

(g) The commissioner of education may authorize a school district to exceed the limit in paragraph (e) if the school district petitions the commissioner for approval. The commissioner

shall grant approval to a school district to exceed the limit in paragraph (e) for not more than five years if the district meets the following criteria:

- (1) the school district has been experiencing pupil enrollment growth in the preceding five years;
- (2) the purpose of the increased levy is in the long-term public interest;
- (3) the purpose of the increased levy promotes colocation of government services; and
- (4) the purpose of the increased levy is in the long-term interest of the district by avoiding over construction of school facilities.

(h) A school district that is a member of an intermediate school district may include in its authority under this section the costs associated with leases of administrative and classroom space for intermediate school district programs. This authority must not exceed \$43 times the adjusted marginal cost pupil units of the member districts. This authority is in addition to any other authority authorized under this section.

(i) In addition to the allowable capital levies in paragraph (a), for taxes payable in 2012 to 2023, a district that is a member of the "Technology and Information Education Systems" data processing joint board, that finds it economically advantageous to enter into a lease agreement to finance improvements to a building and land for a group of school districts or special school districts for staff development purposes, may levy for its portion of lease costs attributed to the district within the total levy limit in paragraph (e). The total levy authority under this paragraph shall not exceed \$632,000.

(j) In addition to the allowable capital levies in paragraph (a), a school district that is a member of the St. Croix River Education District that finds it economically advantageous to enter into a lease purchase agreement for a building and land for the St. Croix River Education District may levy for its portion of lease costs attributed to the district within the total levy limit in paragraph (e). The authority under this paragraph is effective for taxes payable in 2013 to 2028.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2013 and later.

Sec. 28. Laws 2011, First Special Session chapter 11, article 2, section 50, subdivision 16, is amended to read:

Subd. 16. **Student organizations.** For student organizations:

\$	725,000	.....	2012
\$	725,000	.....	2013

\$49,000 each year is for student organizations serving health occupations (~~HUSA~~) (HOSA).

\$46,000 each year is for student organizations serving service occupations (HERO).

\$106,000 each year is for student organizations serving trade and industry occupations (SkillsUSA, secondary and postsecondary).

\$101,000 each year is for student organizations serving business occupations (~~DECA~~, BPA, secondary and postsecondary).

\$158,000 each year is for student organizations serving agriculture occupations (FFA, PAS).

\$150,000 each year is for student organizations serving family and consumer science occupations (FCCLA).

\$115,000 each year is for student organizations serving marketing occupations (~~DEX~~) (DECA, DECA Collegiate).

Any balance in the first year does not cancel but is available in the second year.

**Sec. 29. LEASE LEVY; ADMINISTRATIVE SPACE.**

Subdivision 1. **Faribault.** Notwithstanding Minnesota Statutes, section 126C.40, subdivision 1, Independent School District No. 656, Faribault, may lease administrative space under Minnesota Statutes, section 126C.40, subdivision 1, if the district can demonstrate to the satisfaction of the commissioner of education that the administrative space is less expensive than instructional space that the district would otherwise lease. The commissioner must deny this levy authority unless the district passes a resolution stating its intent to lease instructional space under Minnesota Statutes, section 126C.40, subdivision 1, if the commissioner does not grant authority under this section. The resolution must also certify that a lease of administrative space under this section is less expensive than the district's proposed instructional lease. Levy authority under this section shall not exceed the total levy authority under Minnesota Statutes, section 126C.40, subdivision 1, paragraph (e).

Subd. 2. **Wayzata.** Notwithstanding Minnesota Statutes, section 126C.40, subdivision 1, Independent School District No. 284, Wayzata, may lease administrative space under Minnesota Statutes, section 126C.40, subdivision 1, if the district can demonstrate to the satisfaction of the commissioner of education that the administrative space is less expensive than instructional space that the district would otherwise lease. The commissioner must deny this levy authority unless the district passes a resolution stating its intent to lease instructional space under Minnesota Statutes, section 126C.40, subdivision 1, if the commissioner does not grant authority under this section. The resolution must also certify that a lease of administrative space under this section is less expensive than the district's proposed instructional lease. Levy authority under this section shall not exceed the total levy authority under Minnesota Statutes, section 126C.40, subdivision 1, paragraph (e).

**EFFECTIVE DATE.** This section is effective for taxes payable in 2013 and later.

**Sec. 30. REPEALER.**

Minnesota Statutes 2010, sections 120A.28; 120B.019; 120B.31, subdivision 3; 121A.60, subdivisions 3 and 4; 121A.62; 121A.63; and 122A.18, subdivision 9, are repealed.

### ARTICLE 3

#### SPECIAL EDUCATION AND OTHER PROGRAMS

Section 1. Minnesota Statutes 2010, section 125A.14, is amended to read:

**125A.14 EXTENDED SCHOOL YEAR.**

A district may provide extended school year services for children with a disability living within the district and nonresident children temporarily placed in the district pursuant to section 125A.15 ~~or 125A.16~~. Prior to March 31 or 30 days after the child with a disability is placed in the

district, whichever is later, the providing district shall give notice to the district of residence of any nonresident children temporarily placed in the district pursuant to section 125A.15 ~~or 125A.16~~, of its intention to provide these programs. Notwithstanding any contrary provisions in ~~sections~~ section 125A.15 and 125A.16, the district providing the special instruction and services must apply for special education aid for the extended school year services. The unreimbursed actual cost of providing the program for nonresident children with a disability, including the cost of board and lodging, may be billed to the district of the child's residence and must be paid by the resident district. Transportation costs must be paid by the district responsible for providing transportation pursuant to section 125A.15 ~~or 125A.16~~ and transportation aid must be paid to that district.

Sec. 2. Minnesota Statutes 2010, section 125A.19, is amended to read:

**125A.19 NONRESIDENT EDUCATION; BILLING.**

All tuition billing for the education of nonresident children pursuant to sections 125A.03 to 125A.24, 125A.51, 125A.515, and 125A.65 must be done on uniform forms prescribed by the commissioner. The billing shall contain an itemized statement of costs that are being charged to the district of residence. One copy of each billing must be filed with the commissioner.

Sec. 3. Minnesota Statutes 2010, section 125A.515, subdivision 1, is amended to read:

Subdivision 1. **Approval of education programs.** The commissioner shall approve on-site education programs for placement of children and youth in residential facilities including detention centers, before being licensed by the Department of Human Services or the Department of Corrections. Education programs in these facilities shall conform to state and federal education laws including the Individuals with Disabilities Education Act (IDEA). This section applies only to placements in facilities licensed by the Department of Human Services or the Department of Corrections. For purposes of this section, "on-site education program" means the educational services provided directly on the grounds of the care and treatment facility to children and youth placed for care and treatment.

Sec. 4. Minnesota Statutes 2010, section 475.58, is amended by adding a subdivision to read:

Subd. 1b. **School districts.** Notwithstanding subdivision 1a or section 205A.05, a school district election under this section must be held on the first Tuesday after the first Monday in November.

Sec. 5. Laws 2011, First Special Session chapter 11, article 7, section 2, subdivision 8, is amended to read:

Subd. 8. **Early childhood education scholarships.** For grants to early childhood education scholarships for public or private early childhood preschool programs for children ages 3 to 5 and for evidence-based and research-validated early literacy home visiting programs for children ages 18 months to 4 years:

§           4,000,000     .....   2013

(a) All children whose parents or legal guardians meet the eligibility requirements of paragraph (b) established by the commissioner are eligible to receive early childhood education scholarships under this section.

(b) A parent or legal guardian is eligible for an early childhood education scholarship if the



parent or legal guardian:

(1) has a child three or four years of age on September 1, beginning in calendar year 2012; and

(2)(i) has income equal to or less than 47 percent of the state median income in the current calendar year; or

(ii) can document their child's identification through another public funding eligibility process, including the Free and Reduced Price Lunch Program, National School Lunch Act, United States Code, title 42, section 1751, part 210; Head Start under federal Improving Head Start for School Readiness Act of 2007; Minnesota family investment program under chapter 256J; and child care assistance programs under chapter 119B.

Each year, if this appropriation is insufficient to provide early childhood education scholarships to all eligible children, the Department of Education shall make scholarships available on a first-come, first-served basis.

The commissioner of education shall submit a written report to the education committees of the legislature by January 15, 2012, describing its plan for implementation of scholarships under this subdivision for the 2012-2013 school year.

(c) Of this amount, \$250,000 is for a grant to the evidence-based early literacy Parent-Child Home Program.

(d) Any balance in the first year does not cancel but is available in the second year.

(e) The base for this program is \$2,000,000 each year.

**Sec. 6. REPEALER.**

Minnesota Statutes 2010, sections 125A.16; 125A.80; and 475.53, subdivision 5, are repealed."

Delete the title and insert:

"A bill for an act relating to education; providing for general education, education excellence, special education, and other programs; appropriating money; amending Minnesota Statutes 2010, sections 120A.20, subdivision 2; 120A.22, subdivisions 2, 11; 120B.024; 120B.13, subdivision 1; 122A.415, subdivision 3; 123B.04; 123B.92, subdivision 3; 124D.08, by adding a subdivision; 124D.09, subdivisions 9, 12, 13, 22, 24, by adding a subdivision; 125A.14; 125A.19; 125A.515, subdivision 1; 126C.19, subdivision 2; 127A.47, subdivision 1; 135A.101, subdivision 1; 475.58, by adding a subdivision; Minnesota Statutes 2011 Supplement, sections 120A.24, subdivision 1; 120B.023, subdivision 2; 120B.07; 120B.08; 120B.09; 120B.12, subdivision 2; 120B.30, subdivision 1; 122A.40, subdivision 5; 123B.147, subdivision 3; 124D.10, subdivisions 3, 4, 6, 8, 10, 11, 13, 14, 15, 17a, 23, 25, by adding a subdivision; 124D.4531, subdivision 1; 124D.98, subdivisions 2, 3; 126C.126; 126C.40, subdivision 1; 127A.45, subdivision 6a; Laws 2011, First Special Session chapter 11, article 2, section 50, subdivision 16; article 7, section 2, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 123B; repealing Minnesota Statutes 2010, sections 120A.28; 120B.019; 120B.31, subdivision 3; 121A.60, subdivisions 3, 4; 121A.62; 121A.63; 122A.18, subdivision 9; 124D.09, subdivision 23; 125A.16; 125A.80; 127A.47, subdivision 2; 475.53, subdivision 5."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**SECOND READING OF SENATE BILLS**

S.F. Nos. 2201 and 2482 were read the second time.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time.

**Senator Harrington introduced—**

**S.F. No. 2593:** A bill for an act relating to sports; requiring market rate rent for publicly owned stadiums and sports facilities serving a professional sports franchise; proposing coding for new law in Minnesota Statutes, chapter 473.

Referred to the Committee on Local Government and Elections.

**Senators Harrington, Reinert, Eaton and Magnus introduced—**

**S.F. No. 2594:** A bill for an act relating to capital improvements; appropriating money for Hmong veterans commemorative statue; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

**MOTIONS AND RESOLUTIONS**

Senator Newman moved that the names of Senators Limmer and Nelson be added as co-authors to S.F. No. 2319. The motion prevailed.

Senator Parry moved that S.F. No. 702 be withdrawn from the Committee on Taxes and returned to its author. The motion prevailed.

**SPECIAL ORDERS**

Pursuant to Rule 26, Senator Senjem, Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

S.F. Nos. 1553, 396, H.F. No. 2187, S.F. No. 2360, H.F. No. 2128, S.F. Nos. 2464, 1749, H.F. Nos. 2173, 389 and 1992.

**SPECIAL ORDER**

**S.F. No. 1553:** A bill for an act relating to health; providing a temporary permit to practice without compensation to dentists or dental hygienists licensed in another state; amending Minnesota Statutes 2010, section 150A.06, subdivision 2c; Laws 2011, First Special Session chapter 9, article 10, section 8, subdivision 8.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Eaton	Jungbauer	Miller	Saxhaug
Benson	Fischbach	Kelash	Nelson	Senjem
Bonoff	Gazelka	Koch	Newman	Sheran
Brown	Gimse	Latz	Nienow	Sieben
Carlson	Goodwin	Lillie	Olson	Skoe
Chamberlain	Hall	Limmer	Ortman	Sparks
Cohen	Hann	Lourey	Pappas	Stumpf
Dahms	Harrington	Magnus	Parry	Thompson
Daley	Hayden	Marty	Pederson	Tomassoni
DeKruif	Higgins	McGuire	Rest	Vandever
Dibble	Hoffman	Metzen	Robling	Wiger
Dziedzic	Howe	Michel	Rosen	Wolf

So the bill passed and its title was agreed to.

### SPECIAL ORDER

**S.F. No. 396:** A bill for an act relating to agriculture; modifying the classification of horses as livestock; amending Minnesota Statutes 2010, section 17.459, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 2010, section 17.459, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 7, as follows:

Those who voted in the affirmative were:

Benson	Gazelka	Jungbauer	Nelson	Senjem
Bonoff	Gerlach	Kelash	Newman	Sheran
Brown	Gimse	Koch	Nienow	Sieben
Carlson	Goodwin	Latz	Olson	Skoe
Chamberlain	Hall	Lillie	Ortman	Sparks
Cohen	Hann	Limmer	Parry	Stumpf
Dahms	Harrington	Lourey	Pederson	Thompson
Daley	Higgins	Magnus	Rest	Tomassoni
DeKruif	Hoffman	Metzen	Robling	Vandever
Dziedzic	Howe	Michel	Rosen	Wiger
Fischbach	Ingebrigtsen	Miller	Saxhaug	Wolf

Those who voted in the negative were:

Bakk	Eaton	Marty	Pappas
Dibble	Hayden	McGuire	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

**H.F. No. 2187:** A bill for an act relating to public safety; vehicle titles; clarifying requirements pertaining to bonds and issuance of title; amending Minnesota Statutes 2010, sections 168.27, subdivision 28; 168A.20, subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Gazelka	Kelash	Newman	Sieben
Benson	Gerlach	Koch	Nienow	Skoe
Bonoff	Gimse	Latz	Olson	Sparks
Brown	Goodwin	Lillie	Ortman	Stumpf
Carlson	Hall	Limmer	Pappas	Thompson
Chamberlain	Hann	Lourey	Parry	Tomassoni
Dahms	Harrington	Magnus	Pederson	Vandever
Daley	Hayden	Marty	Rest	Wiger
DeKruif	Higgins	McGuire	Robling	Wolf
Dibble	Hoffman	Metzen	Rosen	
Dziedzic	Howe	Michel	Saxhaug	
Eaton	Ingebrigtsen	Miller	Senjem	
Fischbach	Jungbauer	Nelson	Sheran	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

**S.F. No. 2360:** A bill for an act relating to health; amending health professional education loan forgiveness program requirements; amending Laws 2011, First Special Session chapter 9, article 2, section 30.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Fischbach	Jungbauer	Nelson	Sheran
Benson	Gazelka	Kelash	Newman	Sieben
Bonoff	Gerlach	Koch	Nienow	Skoe
Brown	Gimse	Latz	Olson	Sparks
Carlson	Goodwin	Lillie	Ortman	Stumpf
Chamberlain	Hall	Limmer	Pappas	Thompson
Cohen	Hann	Lourey	Parry	Tomassoni
Dahms	Harrington	Magnus	Pederson	Torres Ray
Daley	Hayden	Marty	Rest	Vandever
DeKruif	Higgins	McGuire	Robling	Wiger
Dibble	Hoffman	Metzen	Rosen	Wolf
Dziedzic	Howe	Michel	Saxhaug	
Eaton	Ingebrigtsen	Miller	Senjem	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

**H.F. No. 2128:** A bill for an act relating to health; licensing emergency medical personnel; making changes to the Cooper/Sams volunteer ambulance program; amending Minnesota Statutes 2010, sections 144E.001, subdivisions 1b, 3a, 4a, 4b, 5c, 5d, 5e, 6, 11, 14, by adding subdivisions; 144E.01, subdivision 1; 144E.101, subdivisions 2, 6, 7, 9, 10, 12; 144E.103; 144E.127, subdivision 2; 144E.265, subdivision 2; 144E.27, subdivisions 1, 2, 3, 5, by adding a subdivision; 144E.275, subdivision 3; 144E.28, subdivisions 1, 5, 7; 144E.283; 144E.285; 144E.286, subdivision 3; 144E.29; 144E.30, subdivision 3; 144E.305, subdivision 2; 144E.31; 144E.32, subdivision 2; 144E.35, subdivision 1; 144E.41; 144E.52; Minnesota Statutes 2011 Supplement, sections 144E.001, subdivision 5f; 144E.28, subdivision 9; repealing Minnesota Rules, parts 4690.0100, subparts 16, 17; 4690.1400.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Fischbach	Jungbauer	Miller	Senjem
Benson	Gazelka	Kelash	Nelson	Sheran
Bonoff	Gerlach	Koch	Newman	Sieben
Brown	Gimse	Kruse	Nienow	Skoe
Carlson	Goodwin	Latz	Olson	Sparks
Chamberlain	Hall	Lillie	Ortman	Stumpf
Cohen	Hann	Limmer	Pappas	Thompson
Dahms	Harrington	Lourey	Parry	Tomassoni
Daley	Hayden	Magnus	Pederson	Torres Ray
DeKruif	Higgins	Marty	Rest	Vandever
Dibble	Hoffman	McGuire	Robling	Wiger
Dziedzic	Howe	Metzen	Rosen	Wolf
Eaton	Ingebrigtsen	Michel	Saxhaug	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

**S.F. No. 2464:** A bill for an act relating to public safety; requiring a modification to the sex offender sentencing grid.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Daley	Gerlach	Higgins	Kruse
Benson	DeKruif	Gimse	Hoffman	Latz
Bonoff	Dibble	Goodwin	Howe	Lillie
Brown	Dziedzic	Hall	Ingebrigtsen	Limmer
Chamberlain	Eaton	Hann	Jungbauer	Lourey
Cohen	Fischbach	Harrington	Kelash	Magnus
Dahms	Gazelka	Hayden	Koch	Marty

McGuire	Nienow	Rest	Sieben	Torres Ray
Metzen	Olson	Robling	Skoe	Vanderveer
Michel	Ortman	Rosen	Sparks	Wiger
Miller	Pappas	Saxhaug	Stumpf	Wolf
Nelson	Parry	Senjem	Thompson	
Newman	Pederson	Sheran	Tomassoni	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

**S.F. No. 1749:** A bill for an act relating to data practices; authorizing access to Department of Natural Resources electronic licensing data for certain purposes; amending Minnesota Statutes 2010, section 84.0874.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 10, as follows:

Those who voted in the affirmative were:

Bakk	Gazelka	Koch	Nelson	Senjem
Benson	Gerlach	Kruse	Newman	Sheran
Bonoff	Gimse	Latz	Nienow	Sieben
Brown	Hall	Lillie	Olson	Sparks
Carlson	Hann	Limmer	Ortman	Stumpf
Chamberlain	Higgins	Lourey	Parry	Thompson
Cohen	Hoffman	Magnus	Pederson	Tomassoni
Dahms	Howe	McGuire	Rest	Vanderveer
Daley	Ingebrigtsen	Metzen	Robling	Wiger
DeKruif	Jungbauer	Michel	Rosen	Wolf
Fischbach	Kelash	Miller	Saxhaug	

Those who voted in the negative were:

Dibble	Eaton	Harrington	Marty	Skoe
Dziedzic	Goodwin	Hayden	Pappas	Torres Ray

So the bill passed and its title was agreed to.

### SPECIAL ORDER

**H.F. No. 2173:** A bill for an act relating to consumer protection; clarifying the definition of home solicitation sale; amending Minnesota Statutes 2010, section 325G.06, subdivision 2.

Senator Bonoff moved to amend H.F. No. 2173 as follows:

Page 1, after line 4, insert:

"Section 1. Minnesota Statutes 2010, section 53B.18, is amended to read:

#### **53B.18 PROHIBITED PRACTICES.**

No licensee shall:

- (1) fail to comply with chapter 345 as it relates to unclaimed property requirements;
- (2) refuse to indemnify an instrument holder for any misappropriation of money caused by any of its authorized delegates in conducting activities on behalf of the licensee for whom it acts as an authorized delegate; ~~or~~
- (3) fail to transmit all money received for wire transmission in accordance with the purchaser's instructions within five days; or
- (4) fail to comply with section 53B.27.

**Sec. 2. [53B.27] MONEY TRANSMITTERS; COOPERATION REQUIRED IN COMBATTING FRAUD.**

Subdivision 1. Fraud prevention measures required. Each money transmitter shall:

- (1) provide a clear, concise, and conspicuous consumer fraud warning on all transmittal forms used by consumers;
- (2) provide consumer fraud prevention training for agents involved with transmittals;
- (3) monitor agent activity relating to consumer transmittals; and
- (4) establish a toll-free number for consumers to call to report fraud or suspected fraud.

Subd. 2. Voluntary disqualification by customer. A money transmitter that originates money transfers in this state must allow an individual to voluntarily disqualify the individual from sending or receiving money transfers. The disqualification lasts for one year, unless the individual requests that it be in effect for a period longer than one year. The individual may terminate the disqualification at any time upon written notice to the money transmitter."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 2173 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Fischbach	Jungbauer	Miller	Senjem
Benson	Gazelka	Kelash	Nelson	Sheran
Bonoff	Gerlach	Koch	Newman	Sieben
Brown	Gimse	Kruse	Nienow	Skoe
Carlson	Goodwin	Latz	Olson	Sparks
Chamberlain	Hall	Lillie	Ortman	Stumpf
Cohen	Hann	Limmer	Pappas	Thompson
Dahms	Harrington	Lourey	Parry	Tomassoni
Daley	Hayden	Magnus	Pederson	Torres Ray
DeKruif	Higgins	Marty	Rest	Vandev eer
Dibble	Hoffman	McGuire	Robling	Wiger
Dziedzic	Howe	Metzen	Rosen	Wolf
Eaton	Ingebrigtsen	Michel	Saxhaug	

So the bill, as amended, was passed and its title was agreed to.

### SPECIAL ORDER

**H.F. No. 389:** A bill for an act relating to local government; providing for interim zoning; providing for municipal development land dedication and fees; amending Minnesota Statutes 2010, sections 394.25, subdivision 7; 394.34; 462.355, subdivision 4; 462.358, subdivisions 2a, 2c, by adding subdivisions; repealing Minnesota Statutes 2010, section 462.358, subdivision 2b.

Senator Nelson moved to amend H.F. No. 389, as amended pursuant to Rule 45, adopted by the Senate April 2, 2012, as follows:

(The text of the amended House File is identical to S.F. No. 270.)

Page 1, delete section 1

Page 3, delete sections 2 and 3

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 57 and nays 6, as follows:

Those who voted in the affirmative were:

Bakk	Gazelka	Koch	Newman	Sieben
Benson	Gerlach	Kruse	Nienow	Skoe
Bonoff	Gimse	Latz	Olson	Sparks
Carlson	Goodwin	Lillie	Ortman	Stumpf
Cohen	Hall	Lourey	Pappas	Tomassoni
Dahms	Hann	Magnus	Parry	Torres Ray
Daley	Harrington	Marty	Pederson	Vandever
DeKruif	Hayden	McGuire	Robling	Wiger
Dibble	Higgins	Metzen	Rosen	Wolf
Dziedzic	Howe	Michel	Saxhaug	
Eaton	Ingebrigtsen	Miller	Senjem	
Fischbach	Kelash	Nelson	Sheran	

Those who voted in the negative were:

Brown	Hoffman	Limmer
Chamberlain	Jungbauer	Thompson

The motion prevailed. So the amendment was adopted.

Senator Vandever moved to amend H.F. No. 389, as amended pursuant to Rule 45, adopted by the Senate April 2, 2012, as follows:

(The text of the amended House File is identical to S.F. No. 270.)

Page 7, delete section 6

Renumber the sections in sequence and correct the internal references

Amend the title accordingly



The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 14 and nays 47, as follows:

Those who voted in the affirmative were:

Fischbach	Koch	Magnus	Parry	Tomassoni
Gerlach	Kruse	Michel	Pederson	Vandevveer
Ingebrigtsen	Limmer	Ortman	Rosen	

Those who voted in the negative were:

Bakk	Dibble	Hoffman	Miller	Skoe
Benson	Dziedzic	Howe	Nelson	Sparks
Bonoff	Eaton	Jungbauer	Newman	Stumpf
Brown	Gazelka	Kelash	Nienow	Thompson
Carlson	Gimse	Latz	Pappas	Torres Ray
Chamberlain	Goodwin	Lillie	Robling	Wiger
Cohen	Hall	Lourey	Saxhaug	Wolf
Dahms	Harrington	Marty	Senjem	
Daley	Hayden	McGuire	Sheran	
DeKruif	Higgins	Metzen	Sieben	

The motion did not prevail. So the amendment was not adopted.

H.F. No. 389 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 33 and nays 31, as follows:

Those who voted in the affirmative were:

Benson	Gerlach	Koch	Newman	Rosen
Brown	Gimse	Kruse	Nienow	Senjem
Chamberlain	Hall	Lillie	Olson	Thompson
Daley	Hann	Limmer	Ortman	Vandevveer
DeKruif	Hoffman	Magnus	Parry	Wolf
Fischbach	Ingebrigtsen	Michel	Pederson	
Gazelka	Jungbauer	Nelson	Robling	

Those who voted in the negative were:

Bakk	Eaton	Latz	Rest	Tomassoni
Bonoff	Goodwin	Lourey	Saxhaug	Torres Ray
Carlson	Harrington	Marty	Sheran	Wiger
Cohen	Hayden	McGuire	Sieben	
Dahms	Higgins	Metzen	Skoe	
Dibble	Howe	Miller	Sparks	
Dziedzic	Kelash	Pappas	Stumpf	

So the bill, as amended, failed to pass.

### SPECIAL ORDER

**H.F. No. 1992:** A bill for an act relating to transportation; motor carriers; prohibiting indemnity provisions in motor carrier contracts; proposing coding for new law in Minnesota Statutes, chapter 221.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Fischbach	Jungbauer	Miller	Sheran
Benson	Gazelka	Kelash	Nelson	Sieben
Bonoff	Gerlach	Koch	Newman	Skoe
Brown	Gimse	Kruse	Nienow	Sparks
Carlson	Goodwin	Latz	Ortman	Stumpf
Chamberlain	Hall	Lillie	Pappas	Thompson
Cohen	Hann	Limmer	Parry	Tomassoni
Dahms	Harrington	Lourey	Pederson	Torres Ray
Daley	Hayden	Magnus	Rest	Vandever
DeKruif	Higgins	Marty	Robling	Wiger
Dibble	Hoffman	McGuire	Rosen	Wolf
Dziedzic	Howe	Metzen	Saxhaug	
Eaton	Ingebrigtsen	Michel	Senjem	

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Messages From the House, Reports of Committees and Second Reading of Senate Bills.

### MESSAGES FROM THE HOUSE

Madam President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

**S.F. No. 1528:** A bill for an act relating to education; providing 21st century tools for teachers; encouraging students to take one online course; requiring a report; amending Minnesota Statutes 2010, sections 124D.095, subdivision 10; 126C.15, subdivision 1.

There has been appointed as such committee on the part of the House:

Myhra, Buesgens and Pelowski.

Senate File No. 1528 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 3, 2012

Madam President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 5 members of the House, on the amendments

adopted by the House to the following Senate File:

**S.F. No. 2392:** A bill for an act relating to liquor; modifying liquor regulation; authorizing liquor licenses; amending Minnesota Statutes 2010, sections 340A.315, by adding a subdivision; 340A.404, subdivision 4a; 340A.412, subdivision 14; 340A.419, subdivision 2; Minnesota Statutes 2011 Supplement, section 340A.404, subdivision 5a; proposing coding for new law in Minnesota Statutes, chapter 340A.

There has been appointed as such committee on the part of the House:

Atkins; Anderson, S.; Hoppe; Sanders and Lillie.

Senate File No. 2392 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 3, 2012

Madam President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2244:

**H.F. No. 2244:** A bill for an act relating to the permanent school fund; changing the Permanent School Fund Advisory Committee into a legislative commission; establishing a permanent school fund board; granting the board authority to employ a director to oversee, manage, and administer school trust lands; amending Minnesota Statutes 2010, sections 16A.06, subdivision 11; 16A.125, subdivision 5; 84.027, subdivision 18; 84.085, subdivision 1; 92.12, subdivision 1; 92.121; 92.13; 93.2236; 94.342, subdivision 5; 127A.30; 477A.11, subdivisions 3, 4, by adding a subdivision; 477A.12, subdivisions 2, 3; Minnesota Statutes 2011 Supplement, section 477A.12, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 127A.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

O'Driscoll, McElpatrick, McNamara, Dittrich and Simon have been appointed as such committee on the part of the House.

House File No. 2244 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted April 3, 2012

Senator Kruse moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2244, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

**REPORTS OF COMMITTEES**

Senator Senjem moved that the Committee Reports at the Desk be now adopted, with the exception of the reports pertaining to appointments. The motion prevailed.

**Senator Robling from the Committee on Finance, to which was re-referred**

**S.F. No. 1597:** A bill for an act relating to veterans; changing the small business set-aside program for veteran-owned small businesses; authorizing county set-aside programs for veteran-owned small businesses; changing the award to veteran-owned businesses in state procurement biddings; adding veterans to special emphasis in state job recruitment; increasing credits for veterans in examination ratings in hiring; providing civil actions; amending Minnesota Statutes 2010, sections 1.05, by adding a subdivision; 16C.16, subdivision 6a; 43A.09; 161.321, subdivisions 2, 5, by adding subdivisions; 197.455, subdivisions 4, 5; proposing coding for new law in Minnesota Statutes, chapter 375.

Reports the same back with the recommendation that the bill do pass. Report adopted.

**Senator Robling from the Committee on Finance, to which was re-referred**

**S.F. No. 2121:** A bill for an act relating to data practices; classifying data on unofficial fiscal notes; amending Minnesota Statutes 2010, section 13.64, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, after the comma, insert "or any legislation, including an amendment or a proposed bill, that any member of the legislature offers for consideration by a legislative committee,"

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Robling from the Committee on Finance, to which was re-referred**

**S.F. No. 1698:** A bill for an act relating to transportation; governing rulemaking and permits; amending rulemaking authority for state aid program; amending allocation of funds from certain over-dimension motor vehicle permits; requiring a legislative report on water permitting process for transportation projects; making clarifying and technical changes; amending Minnesota Statutes 2010, sections 162.02, subdivisions 2, 3; 162.09, subdivisions 2, 3; 162.155; 169.86, by adding a subdivision; 169.865, subdivision 4; Minnesota Statutes 2011 Supplement, section 169.86, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 7, line 3, delete "November 15, 2012" and insert "January 15, 2013"

Page 7, after line 19, insert:

"Sec. 10. **EFFECTIVE DATE.**

This act is effective July 1, 2012."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Robling from the Committee on Finance, to which was re-referred**

**S.F. No. 2304:** A bill for an act relating to state government; implementing changes to the sunset review; changing certain agency requirements; requiring posting of convictions of felonies or gross misdemeanors and malpractice settlements or judgments for a regulated practitioner; requiring certain information on regulated practitioners; requiring a study; prohibiting transfer of certain funds; requiring reports; appropriating money; requiring a review of the Board of Medical Practice; amending Minnesota Statutes 2010, sections 3.922, by adding a subdivision; 3.9223, subdivision 7; 3.9225, subdivision 7; 3.9226, subdivision 7; 147.01, subdivision 4; 147.111, by adding a subdivision; Minnesota Statutes 2011 Supplement, sections 3D.06; 3D.21, subdivisions 1, 2; proposing coding for new law in Minnesota Statutes, chapters 3D; 16B; 214; repealing Minnesota Statutes 2010, sections 138A.01; 138A.02; 138A.03; 138A.04; 138A.05; 138A.06.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 3, after the period, insert "The commissioner, in consultation with the commissioner of management and budget and small agencies, shall evaluate small agencies' needs for administrative support services. If the commissioner provides administrative support services to a small agency, the commissioner must enter into a service level agreement with the agency, specifying the services to be provided and the costs and anticipated outcomes of the services."

Page 5, line 5, delete "the Capitol Area"

Page 5, line 6, delete "Architectural and Planning Board, the Amateur Sports Commission,"

Page 5, delete lines 9 to 12 and insert:

"(c) The commissioner of administration may assess agencies for services it provides under this section. The amounts assessed are appropriated to the commissioner."

Page 5, line 15, after the period, insert "The agencies served retain the ownership and responsibility for spending decisions and for ongoing implementation of appropriate business operations."

Page 6, delete section 11 and insert:

**"Sec. 11. [214.056] FEES COLLECTED; FUND TRANSFER PROHIBITED.**

Fees collected by health-related licensing boards, as defined in section 214.01, subdivision 2, and the commissioner of health, as the regulator for occupational therapy practitioners, speech-language pathologists, audiologists, and hearing instrument dispensers, must be used only to pay the costs associated with regulation of occupations and professions under the jurisdiction of those boards. The legislature must not transfer money generated by these fees from the state government special revenue fund to the general fund. Surcharges collected by a health-related licensing board under section 16E.22 are not subject to this section."

Page 7, line 10, after "action" insert "or restriction of privileges" and after "license" insert "by a state licensing board"

Page 7, line 13, delete the first comma and insert "or" and delete ", or a health care"

Page 7, line 14, delete everything before the period

Page 7, after line 25, insert:

"Sec. 14. Minnesota Statutes 2010, section 341.22, is amended to read:

**341.22 COMBATIVE SPORTS COMMISSION.**

There is hereby created the Minnesota Combative Sports Commission consisting of nine members who are citizens of this state. The members must be appointed by the governor. One member of the commission must be a retired judge of the Minnesota district court, Minnesota Court of Appeals, Minnesota Supreme Court, the United States District Court for the District of Minnesota, or the Eighth Circuit Court of Appeals, and at least four members must have knowledge of the boxing industry. At least four members must have knowledge of the mixed martial arts industry. The governor shall make serious efforts to appoint qualified women to serve on the commission. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements must be as provided in sections 214.07 to 214.09. In addition, two members of the house of representatives appointed by the speaker and two members of the senate appointed by the Subcommittee on Committees of the Committee on Rules and Administration shall serve as nonvoting members of the commission.

Unless otherwise provided, the provision of staff, administrative services, and office space; the review and processing of complaints; the setting of fees; and other provisions relating to commission operations are as provided in chapter 214. The purpose of the commission is to protect health, promote safety, and ensure fair events."

Page 9, delete section 22 and insert:

"Sec. 23. **BOARD OF MEDICAL PRACTICE REVIEW.**

The legislative auditor is requested to conduct a special investigation of the Minnesota Board of Medical Practice and its implementation of the Medical Practice Act. The legislative auditor is requested to submit the results of the investigation to the Sunset Advisory Commission and the senate and house of representatives policy committees having jurisdiction over the board by January 1, 2013."

Page 10, delete lines 11 to 17

Page 10, line 18, delete "(c)" and insert "(a)"

Page 10, delete lines 21 to 27 and insert:

"(b) \$45,000 is appropriated in fiscal year 2013 from the state government special revenue fund to the Office of the Legislative Auditor to conduct the special investigation of the Board of Medical Practice in section 23."

Re-number the sections in sequence

Amend the title accordingly

And when so amended the bill do pass and be re-referred to the Committee on Rules and

Administration. Amendments adopted. Report adopted.

**Senator Robling from the Committee on Finance, to which was re-referred**

**S.F. No. 1921:** A bill for an act relating to health; requiring licensure of certain facilities that perform abortions; requiring a licensing fee; amending Minnesota Statutes 2010, section 13.381, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 145.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

**"Section 1. [145.417] LICENSURE OF CERTAIN FACILITIES THAT PERFORM ABORTIONS.**

**Subdivision 1. License required for facilities that perform ten or more abortions per month.**

(a) A clinic, health center, or other facility in which the pregnancies of ten or more women known to be pregnant are willfully terminated or aborted each month shall be licensed by the commissioner of health and, notwithstanding Minnesota Rules, part 4675.0100, subparts 8 and 9, subject to the licensure requirements provided in Minnesota Rules, chapter 4675. The commissioner shall not require a facility licensed as a hospital or as an outpatient surgical center, pursuant to sections 144.50 to 144.56, to obtain a separate license under this section, but may subject these facilities to inspections and investigations as permitted under subdivision 2.

(b) The establishment or operation of a facility described in this section without obtaining a license is a misdemeanor punishable by a fine of not more than \$300. The commissioner of health, the attorney general, an appropriate county attorney, or a woman upon whom an abortion has been performed or attempted to be performed at an unlicensed facility may seek an injunction in district court against the continued operation of the facility. Proceedings for securing an injunction may be brought by the attorney general or by the appropriate county attorney.

(c) Sanctions provided in this subdivision do not restrict other available sanctions.

Subd. 2. **Inspections; no notice required.** No more than two times per year, the commissioner of health shall perform routine and comprehensive inspections and investigations of facilities described under subdivision 1. Every clinic, health center, or other facility described under subdivision 1, and any other premise proposed to be conducted as a facility by an applicant for a license, shall be open at all reasonable times to inspection authorized in writing by the commissioner of health. No notice need be given to any person prior to any inspection.

Subd. 3. **Licensure fee.** (a) The annual license fee for facilities required to be licensed under this section is \$3,712.

(b) Fees shall be collected and deposited according to section 144.122.

Subd. 4. **Suspension, revocation, and refusal to renew.** The commissioner of health may refuse to grant or renew, or may suspend or revoke a license on any of the following grounds:

(1) violation of any of the provisions of this section or Minnesota Rules, chapter 4675;

(2) permitting, aiding, or abetting the commission of any illegal act in the facility;

(3) conduct or practices detrimental to the welfare of the patient;

(4) obtaining or attempting to obtain a license by fraud or misrepresentation; or

(5) if there is a pattern of conduct that involves one or more physicians in the facility who have a financial or economic interest in the facility, as defined in section 144.6521, subdivision 3, and who have not provided notice and disclosure of the financial or economic interest as required by section 144.6521.

Subd. 5. **Hearing.** Prior to any suspension, revocation, or refusal to renew a license, the licensee shall be entitled to notice and a hearing as provided by sections 14.57 to 14.69. At each hearing, the commissioner of health shall have the burden of establishing that a violation described in subdivision 4 has occurred. If a license is revoked, suspended, or not renewed, a new application for license may be considered by the commissioner if the conditions upon which revocation, suspension, or refusal to renew was based have been corrected and evidence of this fact has been satisfactorily furnished. A new license may be granted after proper inspection has been made and all provisions of this section and Minnesota Rules, chapter 4675, have been complied with and a recommendation for licensure has been made by the commissioner or by an inspector as an agent of the commissioner.

Subd. 6. **Severability.** If any one or more provision, section, subdivision, sentence, clause, phrase, or word of this section or the application of it to any person or circumstance is found to be unconstitutional, it is declared to be severable and the balance of this section shall remain effective notwithstanding such unconstitutionality. The legislature intends that it would have passed this section, and each provision, section, subdivision, sentence, clause, phrase, or word, regardless of the fact that any one provision, section, subdivision, sentence, clause, phrase, or word is declared unconstitutional.

Sec. 2. **APPROPRIATION.**

\$63,000 is appropriated in fiscal year 2013 from the state government special revenue fund to the commissioner of health for licensing activities under Minnesota Statutes, section 145.417."

Amend the title accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Vandever from the Committee on Local Government and Elections, to which were referred the following appointments:**

CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD

George Beck

Neil Peterson

Reports the same back with the recommendation that the appointments be confirmed.

Senator Senjem moved that the foregoing committee report be laid on the table. The motion prevailed.



**Senator Vandever from the Committee on Local Government and Elections, to which were referred the following appointments:**

METROPOLITAN COUNCIL  
James Brimeyer  
Gary Cunningham  
Harry Melander  
Lona Schreiber  
Gary Van Eyll  
Wendy Wulff

Reports the same back with the recommendation that the appointments be confirmed.

Senator Senjem moved that the foregoing committee report be laid on the table. The motion prevailed.

**Senator Vandever from the Committee on Local Government and Elections, to which was referred the following appointment:**

METROPOLITAN COUNCIL  
Jennifer Munt

Reports the same back without recommendation.

Senator Senjem moved that the foregoing committee report be laid on the table. The motion prevailed.

### **SECOND READING OF SENATE BILLS**

S.F. Nos. 1597, 2121, 1698 and 1921 were read the second time.

### **MEMBERS EXCUSED**

Senators Langseth and Reinert were excused from the Session of today. Senator Gerlach was excused from the Session of today from 11:00 to 11:40 a.m. Senator Torres Ray was excused from the Session of today from 11:00 to 11:45 a.m. Senator Gimse was excused from the Session of today from 11:10 to 11:35 a.m. Senator Kruse was excused from the Session of today from 11:20 to 11:50 a.m. Senator Ingebrigtsen was excused from the Session of today from 11:35 to 11:40 a.m. Senator Carlson was excused from the Session of today from 11:45 a.m. to 12:00 noon. Senator Olson was excused from the Session of today at 12:15 p.m. Senator Rest was excused from the Session of today from 12:15 to 12:40 p.m.

### **ADJOURNMENT**

Senator Senjem moved that the Senate do now adjourn until 11:00 a.m., Wednesday, April 4, 2012. The motion prevailed.

Cal R. Ludeman, Secretary of the Senate

